DOMINION OF CANADA

OFFICIAL REPORT

OF

DEBATES

HOUSE OF COMMONS

FIFTH SESSION—THIRTEENTH PARLIAMENT

11-12 GEORGE V, 1921

IN FIVE VOLUMES

Volume I: Pages 1-1000 **Volume II: Pages 1001-2026**
Volume III: Pages 2027-3003 **Volume IV: Pages 3005-4040**
Volume V: Pages 4041-4580

VOLUME CXLIX

COMPRISING THE PERIOD FROM THE SIXTH DAY OF MAY TO THE TWENTY-SEVENTH DAY OF MAY, 1921, INCLUSIVE.



OTTAWA
F. A. ACLAND
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1921

CANADA

House of Commons Debates

OFFICIAL REPORT.

Friday, May 6, 1921.

The House met at Three o'clock.

RAILWAYS, CANALS AND TELEGRAPH LINES

Mr. J. E. ARMSTRONG (East Lambton) presented the sixth report of the Select Standing Committee on Railways, Canals and Telegraph Lines.

STANDING ORDERS

Mr. P. F. CASGRAIN (Charlevoix—Montmorency) moved that the first report of the Select Standing Committee on Standing Orders be concurred in.

Motion agreed to.

QUEBEC STEAMSHIP COMPANY

Mr. CASGRAIN moved:

That the petition of the Quebec Steamship Company be received forthwith, subject to the additional charge provided by Rule 89, paragraph 3 (a).

Motion agreed to.

FIRST READING

Bill No. 137, to amend and consolidate the Acts respecting Quebec Steamship Company.—Mr. Casgrain.

CIVIL SERVICE ACT AMENDMENT

Hon. E. K. SPINNEY (Yarmouth) moved that the first report of the Special Committee to which was referred Bill No. 122, to amend the Civil Service Act, 1918, be concurred in.

Motion agreed to.

CRIMINAL CODE AMENDMENT

Right Hon. C. J. DOHERTY (Minister of Justice) moved for leave to introduce Bill No. 138, to amend the Criminal Code.

He said: Mr. Speaker, the Bill covers quite a number of proposed amendments to different articles of the Code as it now stands. I will indicate briefly those that are of the most importance.

There is a provision to make it an offence to have illicit connection with any feeble-minded girl or woman, and the definition of feeble-minded is taken from the English Act.

There is a provision giving a Recorder's Court jurisdiction, as well as the recorder himself, and power, if a court of record, as it is in Montreal, to keep its records. This is a provision made necessary by recent decision to the effect that while the recorder acting, not as the Recorder's Court, had the extended jurisdiction of two magistrates, the Recorder's Court itself had not that jurisdiction. The business had been carried on for years on the assumption that the court had at least as much jurisdiction as the individual recorder. It is to correct the situation that the provision is introduced.

There is a provision repealing a proviso that was inserted in the Senate to the Bill that was passed by this House at the last session, which proviso had the result that on trials for seduction the judge might instruct the jury that if they did not think the evidence showed that the accused was wholly or chiefly to blame, they might acquit. The purpose of this amendment is to re-establish the Bill as it was passed by the Commons. There is a special provision also to prohibit illicit connection with Indian women. It has been found that there was necessity for special provision in that regard.

Another provision of the Bill is to make illegal the possession of bombs without lawful excuse.

Then we have a provision with regard to the existing law in connection with the necessity of permits for the possession of firearms. There has been very general representation that the existing law operated too rigorously, lent itself to abuses and subjected citizens to unnecessary annoyance. This matter has been pressed from many quarters. The hon. member for Muskoka (Mr. McGibbon), the hon. member for North Perth (Mr. Morphy) have been particularly insistent upon the necessity of reform. The hon. member for

Brantford (Mr. Cockshutt) also has made representations in the matter, and as the House is aware, the hon. member for North Simcoe (Mr. Currie) has introduced a Bill dealing with the subject. I am not prepared to say that our provision is identical with the terms of that Bill but the aim sought to be attained is the same.

Then there is a clause reintroducing a provision which has been passed by this House on different occasions and rejected by the Senate, making it an offence for persons who are not married to register themselves in hotels as being married.

There is a provision to make it an offence for intoxicated persons to drive motor cars.

Then there are special provisions with regard to the offence of stealing motor cars. We had very general representations that it was desirable or necessary to stiffen the law in that regard.

There is a provision to assimilate the law with regard to indecent assaults to the law with regard to rape or having illicit connection with children, so that in the case of indecent assault the consent of a child under the fixed age shall not be a defence, and also raising the age from fourteen to sixteen. There is a provision to add whipping as a possible punishment for rape, robbery, and assault with intent to rob. It is found that the law as it now stands permits whipping for the attempt to rape but does not permit it for the graver offence. With regard to robbery and assault with intent to rob, we have had very strong representations from many parts of the country urging that this would be a more effective deterrent. There is also a provision striking out of the article dealing with the offence of carnally knowing girls the words inserted by the Senate, "of previous chaste character".

There is a clause to provide for the whipping of juvenile criminals under twenty-one years of age. It is not intended that they should be flogged; the term used is "spanking." I understand, as a matter of fact, that there is not at the present time any law providing for this, but several judges have taken it upon themselves to order this punishment, and it is reported that it has proved most efficacious.

Mr. MURPHY: Is there an age limit as to that?

Mr. DOHERTY: Yes, it will be applied to people under twenty-one.

There is a provision, at the instance of the Public Works Department, to make the letters "D.P.W." indicate that any articles to which they are attached is the property of the Public Works Department, and to protect the property accordingly.

There is a provision to prohibit what is known as the game of three-card monte. The hon. member for Jacques Cartier (Mr. Lafortune) has already, as the House knows, introduced a Bill for that purpose, and I think the present provision meets the intent and purpose of his Bill. In any event, I shall be glad to consult with the hon. member if there be any difference in the wording.

There is an amendment to the provision constituting the crime of arson, making the burning of chattels over $25 in value constitute the offence.

There is a provision extending to gas wells the protection now given to oil wells.

There are provisions with regard to cruelty to animals. Without going into details, I may say that the purpose of these provisions, which are asked for by the Society for the Prevention of Cruelty to Animals, is to bring our law, if I may use the expression, up to date, to introduce into it some reforms that have been introduced into the law in England and in others of the Dominions.

There is a provision against making metal tokens redeemable in goods.

There are some minor changes with regard to procedure, and one particular provision for an appeal to the Supreme Court in criminal cases where, the accused having been acquitted by the trial courts, a court of appeal has set aside that verdict and ordered a new trial. As the law stands at present, a man who is convicted in the first court, and who upon an appeal to the Appellate Court of the province succeeds in having even one judge dissent from the decision, expressing the view that the conviction should be set aside, is entitled to appeal to the Supreme Court, whereas a man, who has a verdict of absolute acquittal in the first court, is debarred from any appeal if the Court of Appeal should set aside that verdict in his favour and send him back to be tried over again. Attention was called to this condition of affairs by a recent case in Alberta, and I think the fairness of providing for an appeal in this case will be obvious to everybody.

There is a provision making it possible in certain classes of offences to place the convicted person, in whose case the sentence may have been suspended, under a system of probation where his conduct may be observed.

There is a provision for increasing the fees of magistrates and constables in pro-

secutions in summary cases. I think the hon. member for Cape Breton North and Victoria (Mr. McKenzie) was interested in that matter.

There are provisions to simplify the procedure before justices of the peace by doing away with the necessity of fees in such cases and simplifying the forms. This matter has been pressed upon us by different magistrates who seem to establish that there is an unnecessary degree of formality at the present time.

I think this covers all, at all events of the substantial modifications which are sought to be made in the existing code.

Mr. LEMIEUX: The right hon. gentleman spoke of the illegal use of bombs. What does he mean by that?

Mr. DOHERTY: This makes it illegal to have bombs in one's possession—the mere possession—without lawful excuse. As the law stands at present, there is no absolutely clear provision that the mere possession without explanation or excuse should be an offence, and it is thought proper that there should be such a provision.

Mr. ARCHAMBAULT: I had hopes that the Minister of Justice (Mr. Doherty) would have included in his Bill—

Mr. DEPUTY SPEAKER: Order. On the introduction of a Bill no debate could possibly be allowed. It is impossible to remind the hon. minister of some clause that should have been and is not included in the Bill, without in some measure debating the motion. This is a matter that should be brought up on second reading or in committee, but not upon the motion to introduce the Bill.

Mr. ARCHAMBAULT: I do not want to criticize your ruling, Sir, nor to debate what the Minister of Justice has said, but simply to make a suggestion. I had introduced a Bill, and I hoped the minister would have included in the present Bill the purpose of my Bill. I think he will do so, if I remind him.

Mr. DEPUTY SPEAKER: That could be done much more regularly in committee, after the second reading of the Bill.

Mr. DOHERTY: I shall be very happy to consult with the hon. gentleman.

Mr. CANNON: Will the minister inform the House when he intends bringing up this Bill for discussion?

Mr. DOHERTY: The Bill will naturally come up for second reading at the next sitting of the House. It will be brought up at as early a moment as is convenient, and I shall be glad to consult the convenience of any members interested.

Motion agreed to, and the Bill read the first time.

IMMIGRATION ACT AMENDMENT

Hon. J. A. CALDER (Minister of Immigration and Colonization) moved for leave to introduce Bill No. 139, to amend the Immigration Act. He said: I might remind the House that earlier in the session a Bill was introduced by the hon. member for Quebec East (Mr. Lapointe), one purpose of which was the repeal of the section in the present law providing for the deportation of persons who had made seditious utterances under certain circumstances. It is proposed to repeal that section. In addition to that, the Bill contains some fifteen or twenty sections providing for very slight modifications in the law, required very largely from the standpoint of administration. I doubt very much if I should take up the time of the House at this time in explaining the small minor changes which I propose to make.

Motion agreed to, and Bill read the first time.

STATISTICS ACT AMENDMENT

Right Hon. Sir GEORGE FOSTER (Minister of Trade and Commerce) moved for leave to introduce Bill No. 141, to amend the Statistics Act.

He said: This is a Bill of one clause to provide that statistical forms and schedules which are returnable from the source to a provincial department in pursuance of any arrangement made between the Dominion Government and the provincial Government for the more economical and efficient gathering of statistics shall be, when forwarded to this department, free of postage.

Motion agreed to, and Bill read the first time.

PATENT ACT AMENDMENT

Right Hon. Sir GEORGE FOSTER (Minister of Trade and Commerce) moved for leave to introduce Bill No. 140, to amend the Patent Act.

He said: This is the Bill of the provisions of which I gave notice to the House when I moved for the discharge of the Patent Act Consolidation Bill. The present Bill

consists of four proposed amendments, which it is felt are necessary to be made this session for the purposes set forth therein.

Mr. MACKENZIE KING: What is the nature of the amendments?

Sir GEORGE FOSTER: One is to provide for granting relief to patentees and inventors who through disturbances caused by the war have lost their patents by voidance, either through failure to manufacture, non-payment of fee, or failure to acquire patents within the prescribed time. The Bill also provides that Canada may get the benefit of the reciprocal clauses in what is known as the Nolan Bill, which has passed through both Houses at Washington.

Motion agreed to, and Bill read the first time.

PREMIER MASSEY'S INTERVIEW

On the Orders of the Day:

Hon. CHARLES MURPHY (Russell): The morning papers announce that Premier Massey has arrived at Victoria on his way to the Imperial Conference, and that he gave out an interview. According to the despatches, Premier Massey has stated that he is prepared to place a measure of reciprocity with Canada on the statute books of New Zealand, and he also advocates a constitution for the British commonwealth of nations and an Imperial executive. The two latter he describes as vital needs of the Empire. May I ask if it is intended to have a conference on this subject with Premier Massey on the part of the Government?

Right Hon. ARTHUR MEIGHEN (Prime Minister): No request has been received by the Government for any special conference with the Prime Minister of New Zealand on this or any other subject. I did observe the headline in the paper that an interview had been given by the Prime Minister of New Zealand, but I really do not understand that because another Prime Minister desires to give an interview that should be the occasion for a new expression of opinion from me. There has been no request for an interview on this or any other subject relating to the Imperial Conference.

EXTRADITION TREATY

On the Orders of the Day:

Hon. W. S. FIELDING (Shelburne and Queen's): A few days ago I drew the attention of my right hon. friend the Minister of Justice (Mr. Doherty) to the fact that a treaty of extradition between Canada and the United States had been passed by the United States Senate and that we knew nothing of it here. I do not suppose it is a matter of first-rate importance, but the session is drawing to an end and I should like to know whether it is the intention of the Government to submit that treaty to Parliament.

Right Hon. C. J. DOHERTY (Minister of Justice): We have had telegraphic confirmation of what appeared in the newspapers with regard to the ratification by the American Senate of a treaty making, as between Canada and the United States, wife desertion an extraditable offence. With that message was sent us an assurance that the information would be sent to us by mail in proper form, and as soon as it arrives, it is in contemplation to submit the treaty to the House for authorization to ratify.

Mr. FIELDING: Have we no copy of the treaty? Have we to wait for Washington to provide us with a copy of a treaty to which we are a party?

Mr. DOHERTY: We are awaiting the proper evidence that the treaty has been ratified.

Mr. FIELDING: I am speaking of a copy of the treaty. We ought not have to wait on Washington for that.

Mr. DOHERTY: No. I will see that the copy is brought down. What had been in contemplation was to bring it down as a schedule to the Bill. The treaty deals simply with the making of wife desertion an extraditable offence.

INQUIRIES FOR RETURNS

On the Orders of the Day:

Mr. A. R. McMASTER (Brome): I should like to direct the attention of the Minister of Public Works, I think it would be, to the fact that five or six weeks ago an order for a return was passed in connection with a question of mine as to the amounts of money spent on Government harbours throughout the country. I understand that this would involve some work, but it is now almost six weeks since the order was passed, and I am anxious to have the return this session.

Hon. F. B. McCURDY (Minister of Public Works): I shall be glad to look into the matter and see that the return is brought down at the earliest possible date.

Mr. JOSEPH ARCHAMBAULT (Chambly and Verchères): On March 4, last an order for a return was passed regarding the amounts of money loaned by Canada to Greece and Roumania since April 19, 1920. I called the attention of the Government on April 29, to the fact that the return had not been brought down, and the hon. Minister of Finance said that he would make inquiry, but the return has not been brought down yet. I can therefore only conclude that the Government does not intend to have the matter discussed on the Budget.

Right Hon. ARTHUR MEIGHEN (Prime Minister): I speak only from recollection, but I think the information has been given to the House, if not in the form of a return, in answer to a question. In fact, I recall being in my place and hearing the matter referred to.

Mr. ARCHAMBAULT: I know I did not get the return.

Mr. MEIGHEN: Perhaps it was in answer to a question. I will make a note and direct the hon. gentleman's attention to where he will find the information.

OPIUM AND NARCOTIC DRUGS

On the Order: Third reading of Bill No. 81, to amend the Opium and Narcotic Drug Act.

Right Hon. C. J. DOHERTY (Minister of Justice): At the request of my colleague, the hon. Minister of Health (Mr. Calder), I beg to move that this Bill be referred back to committee for the purpose of amending subsection (e) of section 1 by adding thereto the following words:

In any case where a fine is imposed the sentence may adjudge a term of imprisonment or a further term of imprisonment not exceeding in any case twelve months to be served by the offender if such fine is not paid.

The member for Cape Breton North and Victoria (Mr. McKenzie) having called attention to the fact that in the Bill as it went through the committee, here is a provision under which a penalty may be imposed in the form of a fine, and no specific provision fixing a period of imprisonment to be imposed in default of payment of that fine, I find, on looking into the matter, that the hon. gentleman was quite right in saying that under any general provision of law the maximum imprisonment under those circumstances, would be three months; and I agree with him that in the case of this particular offence the term of imprisonment in default of payment of the fine should be longer.

Hon. RODOLPHE LEMIEUX (Maisonneuve—Gaspé): When we were discussing this Bill the other day I mentioned to my hon. friend the Minister of Health that a seizure was made not long ago in the city of Montreal of two or three trunks filled with cocaine, presumably imported from Europe. That cocaine was seized and delivered to the police court authorities, and later on some persons, evidently the owners, in league with certain lawless characters, broke into the Court House and got possession of the drug. I am told that the cocaine has been located and that attempts are again being made to get it back. My hon. friend said the other day that he had been informed of the fact, and would give some information in regard to the case.

Mr. CALDER: When the matter was drawn to my attention the other day by the hon. member I said that I had asked for information respecting this incident. It has not yet come to me from the department, so that apart from my knowledge of the fact that this cocaine was lost sight of for a while, I really know nothing about the matter. I shall be glad shortly to ascertain the facts and inform the hon. member accordingly.

Motion agreed to, and the House went into committee on the Bill, Mr. Boivin in the Chair.

Bill as ameded reported, read the third time and passed.

JUDGES' ACT AMENDMENT.

Consideration of amendments made by the Senate to Bill No. 60, to amend the Judges' Act.

Right Hon. C. J. DOHERTY (Minister of Justice): The amendments which the Senate has made to this Bill have no relation to or connection with the provisions of the Bill itself. With one exception, they deal with a perfectly distinct subject. There is an amendment in which I propose to ask concurrence, but another amendment deals with the subject of judges acting on commissions and provides that no judge mentioned in this Act shall act as a commissioner or arbitrator on any commission or inquiry, provided that this section shall not interfere with judges who are at present acting as commissioners or arbitrators, completing the work on which they are engaged. This proposed amendment raises, of course, a very important question. I do not desire to pronounce now pro or con on the merits of the proposal, but I may point out that it is a question

that calls for careful consideration, and might very properly form the subject matter of a measure dealing professedly with it. The Bill itself provided for a new judge in Saskatchewan in view of certain provincial legislation; it dealt with the income tax of the present Chief Justice; and made certain provision with regard to the travelling allowances of judges resident in the province of New Brunswick. This amendment introduces an absolutely different matter, and presented to the House in its present form, it affords, it seems to me, no opportunity of dealing with this important question upon its merits, and giving it the consideration to which it is entitled. I feel, therefore, that this House should not concur in that particular amendment.

There is another amendment made to paragraph three to meet the case of the judge resident at Moncton, in New Brunswick. It has been made perfectly clear, by representations of the Attorney General of the province and numerous others interested who would have been affected by the change provided in the Bill, that it is essential for the proper carrying on of public business that there should be a judge resident at Moncton, and that, in consequence, an exception should be made to the general provision with regard to travelling allowances. With regard to that amendment I desire that this House should concur in it. With regard to the other proposed amendment I would respectfully submit that this House should not concur in it. I beg therefore to move:

That this House do concur in the amendments made by the Senate to Section 3 of the present Bill.

Mr. COPP: The amendment to section 3 has reference to the judge living in the city of Moncton?

Mr. DOHERTY: Yes.

Motion agreed to.

Mr. DOHERTY: I now move that the other amendments be not concurred in.

Mr. DEPUTY SPEAKER: There should be reasons given to the Senate for non-concurrence in these amendments and these reasons should be included in the motion.

Mr. LEMIEUX: Before the hon. gentleman proceeds, I wish to ascertain if I am right in my impression that when the Judges Act was amended a year or so ago, the judges were obliged to act as commissioners or investigators, but without any special fees? If that is so I have no objection to this proceeding.

[Mr. Doherty.]

Mr. DOHERTY: The hon. gentleman states correctly the present condition of the law.

Mr. FIELDING: Will my hon. friend permit me—is that quite correct? I do not think an amendment was made to the effect that the said judges were obliged to act on commissions. What we did say was that if they did act on commissions they were not to get public money. I do not think the amendment said they were obliged to act on commissions.

Mr. DOHERTY: If my memory serves me the provision was that judges would be obliged to serve on commissions, where they were requested so to do by the Dominion or provincial governments, and to do so without remuneration. It will be obvious, if no such provision was made but merely a provision that they were entitled to no remuneration, that, if it be desirable in the public interest that they should serve, either this Government or a provincial government might find itself in great difficulty in assuring themselves of the services of judges for the purposes of such commissions. I have not the text of the Act before me but I do not think I am mistaken.

Mr. FIELDING: The hon. gentleman is probably correct.

Mr. DOHERTY: I beg to move:

That this House do not agree to the amendments made by the Senate as ss. 4 and 5 of Bill No. 60, An Act to Amend the Judges Act, for the following reasons: because the said amendments (a) deal with matters entirely unconnected with the Bill; (b) bring the questions therein treated before the House in a manner which does not afford proper discussion, and (c) should form the subject matter of a separate measure.

Mr. MOWAT: I understand that the House cannot express its opinion one way or the other as to the advisability of these amendments. In reality the present motion is in the nature of an appeal to the Senate not to insist on their amendments so that the matter can be properly brought up. I would not like to see the House object to the substance of the amendments by the Senate, because I think the time has come when something of this kind is necessary. There are many judges in the land who would like to see such a clause passed, because they think when they are being called upon by the Dominion or the Provincial Governments to act as commissioners it very often detracts from their usefulness and importance as judges.

Mr. ARCHAMBAULT: They can always refuse to act.

Motion agreed to.

Mr. DEPUTY SPEAKER: Mr. Doherty moves:

That a message be sent to the Senate acquainting Their Honours with the non-concurrence of this House in the amendments made by the Senate by the addition of sub-clauses 4 and 5 to Bill No. 60, an Act to Amend the Judges Act.

Motion agreed to.

ANIMAL CONTAGIOUS DISEASES ACT

On the motion of Hon. Mr. Tolmie Bill No. 136 to amend the Animal Contagious Diseases Act was read a second time and the House went into committee thereon. Mr. Boivin in the Chair.

On Clause 1—Operation of provision for compensation extended for three years.

Mr. McKENZIE: Is this Bill retroactive in its effect, and if so why?

Mr. TOLMIE: In 1918 certain sums were fixed as compensation for animals destroyed, but the Bill was made operative for only three years, from May 24, 1918. That time will expire on May 24 next, and it is necessary that we should extend the operation of the Act for three years longer, making the period six years instead of three. No change is being made in the amount of compensation paid; the period of payment is simply extended for another three years.

Mr. McKENZIE: I thought from reading the section that it was retroactive.

Section agreed to.

Bill reported, and read the third time and passed.

PRISONS AND REFORMATORIES

On motion of Right Hon. C. J. Doherty (Minister of Justice) Bill No. 35 to amend the Prisons and Reformatories Act was read the second time and the House went into committee thereon, Mr. Boivin in the Chair.

On section 1—age limits of boys and girls raised from 16 to 18.

Mr. DOHERTY: I desire to make an addition to this section. Its purpose is to make susceptible of being dealt with as juveniles in reformatories young persons of both sexes up to the age of 18 years; the present limit is 16 years. My own observation and the widespread representations I have received have convinced me of the necessity of this modification. On the other hand, it has been pointed out that the reformatory institutions of the provinces are not at present prepared to deal with this additional class of criminals, and persons quite competent to speak upon the subject have strongly urged that until and unless proper preparations be made there may be danger to the younger inmates of those reformatories from association with those older boys and girls; in other words, that in order to protect the latter from the possible contamination with older prisoners in the penitentiaries, we might expose the younger children in the reformatories to contamination from these older boys and girls. In order to try to conciliate the two views, and to make provision for proper preparation being made for the reception of the class of criminals in question, I beg to move to amend section 1 by adding thereto as sub-section 2 thereof, the following words:

4 p.m.

This section shall only come into operation in such province or provinces as the Governor in Council may from time to time by proclamation prescribe.

This amendment will enable us to know that there are suitable institutions for this class of prisoners to be sent to before this law comes into force in a particular province.

Mr. McKENZIE: When we pass a criminal law do we look after the expense incident to the imprisonment of such persons as may be dealt with under its provisions?

Mr. DOHERTY: By the British North America Act the maintenance of prisons and reformatories falls on the provinces, and the maintenance of penitentiaries falls on the Dominion; it is not a matter that depends upon our legislation.

Amendment agreed to.

Section as amended agreed to.

On section 2—Part IX not to apply to Nova Scotia:

Mr. MACKENZIE KING: Most of this Bill seems to have special reference to Nova Scotia. Have there been any representations in this regard on the part of the Government of Nova Scotia?

Mr. DOHERTY: The rest of the Act deals entirely with Nova Scotia, is drafted by the provincial authorities and is being enacted at their request. It is to make

our present law adjust itself to the provisions made by Nova Scotia with regard to their reformatories. I may say that the provisions which they have adopted are, so far as they modify existing conditions, mainly with a view to assimilating their system with the systems prevailing in other provinces. This subject of reformatories is dealt with in different parts of the existing statute dealing with each of the provinces, and from time to time as a province finds it desirable to make certain modifications we modify our Act accordingly. This Bill is exclusively for that purpose and, as I say, is the drafting of the provincial authority itself.

Section agreed to.

On section 3—repeal:

Mr. McMASTER: Is there any provision for supervision over children who are indentured as provided by this section?

Mr. DOHERTY: Yes. Subsection 9 provides:

The Superintendent of Neglected and Delinquent Children for the Province of Nova Scotia shall, subject to the laws of the Province of Nova Scotia, exercise and maintain supervision over every child after its discharge from a reformatory institution under the provisions of this section.

I would take it that that would apply to the child while he is in the custody of persons to whom he has been indentured.

Mr. McMASTER: I did note that clause, but I was doubtful whether that applied to a child under indenture, because it seems to me the child had not been discharged when it was indentured.

Mr. DOHERTY: If the hon. gentleman will turn to sub-clause (c), he will see that power is conferred upon the Superintendent of Neglected and Delinquent Children to order a child's return. I think that infers his power to supervise. From past experience, I know as a matter of fact, that the superintendents of this and similar institutions do exercise supervision and control. If they, who have that duty, find that these provisions are ample to enable them to carry it out, I think we may safely accept their view upon the subject. I would be a little loath to modify what they find perfectly sufficient, and I think it is a perfectly justifiable inference, from the fact that the superintendent has power to order the return of a child, that he must be in a position to inform himself on the subject. Furthermore, there is to be remembered just what the hon. gentleman has pointed out, that during that period of time the child has never been discharged. He is in the custody of other people; but he is subject to be returned and, I should say, necessarily under the supervision of the authorities of the institution to which his sentence is still in full effect.

Mr. McKENZIE: I can assure the hon. member for Brome (Mr. McMaster) that the practice is as has been explained by the minister. The superintendent has full control over those children and looks after them very carefully.

Mr. McMASTER: I do not doubt that everything is done in the best possible way, but it seemed to me that there should be no doubt about the matter. The children who are let out in this way, are, as a rule, very kindly looked after; but some distressing instances, exceptional, I must say, have occurred, and it seems to me that the law could not be too specific in providing for a regular supervision of homes in which children under the care of the State are placed for their own benefit. Might I direct the minister's attention to subclause (e) which reads:

Any wages reserved in any indenture under the provisions of this section shall be paid to such child or to some person for such child's benefit.

That is delightfully vague. I do not quite know who is to be the judge as to what person shall be entitled to receive this money for the child's benefit. Perhaps practice has made the matter less objectionable than it appears at first sight.

Mr. DOHERTY: I should take it that the superintendent or other person in charge would see to it that the money went to a suitable person. I would rather not undertake to modify this, for an additional reason, that, with all respect to those who have asked us to enact that provision, I am really very strongly of the impression that that provision, being a provision with regard to the manner in which people sentenced to a reformatory institution are to be dealt with, and being a matter of dealing with their property, the provincial legislature was perhaps more competent to decide than we are. We properly ought to deal with the criminal end of the matter, and this coming to us from what really rather strikes me as the proper authority to decide what shall be done with the property of persons and particularly of persons in their own provincial institutions. I would hardly feel called upon to modify it, and my view would

be that the provincial legislature might have settled that question itself. I would say, however, that it is for greater precaution that we are asked to concur in the matter.

Mr. McMASTER: The next question which I have to ask the minister is rather theological in character. This Bill provides for Protestants and Roman Catholics. I have met certain English Church people who say that they are not Protestants. I do not think they are Roman Catholics. Perhaps some Nova Scotian member would enlighten the committee what happens to people of that denomination if they have delinquent children.

Mr. DOHERTY: I will refer the hon. gentleman to the hon. member for Cape Breton North and Victoria. I may say in a general way that the definition, not only in that province, but in provinces generally has been found to work without difficulty.

Mr. McMASTER: In the form of commitment, what does "S.S." stand for? I have often been intrigued by those letters and I have never had any satisfactory explanation. It is a pleasure to be able to apply to the fountain head of judicial learning.

Mr. DOHERTY: I shall have to refer that to the hon. member for Cape Breton North and Victoria. I am ignorant as to the meaning.

Mr. MOWAT: Does it not mean the plural of "seal?"

Mr. DOHERTY: That may be, only why there would be a plurality of seals, I do not know. I would be curious to know what it means.

Mr. MACKENZIE KING: "Sturdy Scotchman."

Mr. DOHERTY: I think a sturdy Scotchman would never get into trouble of that kind. I would like to move one amendment to this clause. It will not change the substance of the law, but it is to make the particular definition of "child" in this Act compare with the definition in the Juvenile Delinquent Act, not merely as it stands at the present moment, because now it provides for an age of sixteen, and I think it desirable that with regard to all the different reformatories the definition of child should be the same. While there is in the Juvenile Delinquents Act a definition of child which presently fixes the age limit upwards at age sixteen, there is in contemplation an amendment to make it conform with an amendment which we have already made in this Act. Therefore, in order that we may secure uniformity, I move:

That sub-clause (a) of clause 3 be amended by striking out in line 30 on page 1 of the Bill the following words "a boy or girl under the age of eighteen years", and substituting the words" a child as defined by section 2 of the Juvenile Delinquents Act, chapter 40 of the Statutes of 1908."

That will leave it at the present time that a child will be limited to sixteen years. If we amend the Juvenile Delinquents Act to raise the age to eighteen, the effect will be to raise the age under this Act, or if in the application of the previous provision of this measure, the word "child" is made to include persons up to eighteen, that will apply in this case. If there should be no change in the law, the present age of sixteen will stand. This is one of the institutions which pointed out that they were not, at all events at the present time, prepared to deal with children above sixteen years of age. This clause was not inserted by them but by us, to make the section such that if a general modification should be determined upon it would apply to them also. That is the purpose for which I seek to make the present amendment.

Amendment agreed to.

Mr. McKENZIE: I notice that subsection 2 of section 3 uses the phrase "the laws of Canada." Is it intended to differentiate between the law of Canada and provincial laws?

Mr. DOHERTY: I would be disposed to think that it is intended to mean the laws of Canada, that is, the laws of the Dominion of Canada. If it were a matter of dealing with violations of the provincial law, it would be for the provincial authority to say to what place the person convicted may be sentenced. We only undertake to determine what sentences shall be imposed and where they shall be executed, in cases of offences against our law. In the case of offences against a purely provincial law, that law would prescribe where the person convicted should be sent.

Section as amended agreed to.

Bill reported, and read the third time, and passed.

INTERNATIONAL JUSTICE

House again in committee on Bill No. 73, to authorize the ratification and carry-

ing into effect of the Proctocol of the sixteenth day of December, 1920, accepting the Statute for the Permanent Court of International Justice of the thirteenth day of December, 1920.—Right Hon. Mr. Doherty.—Mr. Boivin in the Chair.

The CHAIRMAN: When this Bill was last before the committee clause 1 had been under consideration for an entire evening. It had been amended by replacing the word "ratify" in the first line of the said clause by the following words, "advised that His Majesty be humbly moved to ratify on behalf of Canada." Shall clause 1 be carried?

Mr. DOHERTY: I understood that the Bill stood in committee to afford opportunity for more careful examination of the schedule. We really had threshed out both sections very fully, I think. The Bill has now stood for a considerable period of time. I postponed taking it up on one occasion at the request of hon. gentlemen, and I would suggest that the Bill be now allowed to go through.

Mr. McKENZIE: The language of the amendment comes before us, I think, for the first in the history of this Parliament. I have no recollection of ever seeing that language in any legislation passed in my time, namely, that the King be moved to do a certain thing. I rather thought that in theory the making of treaties was the act of the Sovereign, and that a motion was therefore not necessary, that all that would be expected of us would be to ratify or concur in the act of His Majesty. From that standpoint, I am not quite satisfied with the language.

Mr. DOHERTY: I may say that when it was a matter of our advising the ratification of the German Treaty and the other treaties, the matter was then looked into as to what was the accepted form for the addressing of advice of that kind to His Majesty, and it was found that the accepted form was, to humbly move His Majesty to be pleased to take this action. It is, quite true, as I understand it, at all events, that constitutionally the ratifying power is in His Majesty; certainly there is no legal requirement that there should be any action by this House. But, with regard to certain classes of treaties, a practice has grown up in the past which has made it constitutional to ask for authority to ratify from a popular body. I am not prepared to say that perhaps this particular treaty would come within that class, but as I said the other evening, it seemed to us sound democratic policy to bring every treaty of any consequence to this House for its consideration when that is conveniently possible, and we have adopted that course in this case. That will involve the Governor in Council addressing to His Majesty the document that evidences the ratification, and we have put it in what we understand to be the usual form.

Section agreed to.

Section 2 and schedule agreed to.

Bill reported.

SUPPLY

The House again in Committee of Supply, Mr. Boivin in the Chair.

Miscellaneous disbursements for Railways and Canals chargeable to Income, $166,284,290.72.

The CHAIRMAN: Before this resolution is submitted to the committee, if the hon. minister and the members of the committee are agreeable, the Chairman desires to make a suggestion which can be adopted only by unanimous consent. The suggestion is that full and entire latitude be given to the committee in discussing the present item, No. 126, and that any question concerning railways be in order on that item, with the understanding that when this item is carried, it will carry with it items, 113, which refers to rolling stock, and 341, which has reference to the Canadian National railways.

Mr. PARENT: I submit to you, Mr. Chairman, that this does not seem fair to the committee. It happens on Friday afternoon that very few members are in the committee, and possibly if it had been known that this item 126 would be discussed, more members would be here today. I think we should follow the ordinary procedure and take up the items as they come, one by one. The public interest will be best served if we do that.

The CHAIRMAN: The Chairman pointed out that his proposal could be adopted only by the unanimous consent of the committee. As there appears to be some objection to this course, it will be necessary to take up the items one by one, and it will be incumbent upon the Chairman, as far as possible, to keep the discussion strictly relevant to the subject matter of the item under consideration.

Mr. FIELDING: Will the Minister of Railways say what is the purpose of devolving tens—I was about to say hundreds —of millions of dollars, and grouping them all together? That is not good management of the public business. A great many items are included in this one, and they should be separated, so that the committee might discuss each on its merits, being at liberty to vote for one, and against another. I do not know why the minister should group them all in this one comprehensive item occupying two-thirds of the first page on which it appears, the whole of the second page, and a large portion of the third. This is not a proper way in which to submit the Estimates for the consideration of Parliament.

Hon. Mr. REID: I did not make out the list as it appears before the committee. The items in connection with the railways were sent to the Finance Department, and authorized to be printed in their present form. We sent the list to them. However, I cannot see that there is room for difficulty, because this one vote is divided into different sections, and as I understand the procedure, we shall have to take them up item by item. For instance, the first item under No. 126, is provision of $2,000 for Arbitrations and Awards and Costs of Litigation, and we shall take that up now.

Mr. STEVENS: You cannot vote for it separately.

Hon. Mr. REID: Any hon. member might move to strike it out.

Mr. FIELDING My hon. friend, I am afraid, lays himself open to the charge of what is sometimes described in other places where they venerate things less than we do, as "passing the buck"—blaming some one else for his own omission. I say that the present form of submitting these Estimates is bad, and should be corrected, and I suggest now, as the only remedy, if the Chairman will consent, that we deal with each of these various sections of the item—some of the subitems are very lengthy—individually. I move that we take them up separately, confining ourselves to each item. Because, it is not fair to ask Parliament to vote these enormous sums of money in bulk, by one vote under one resolution.

Hon. Mr. REID: I had no intention of passing the buck at all; I assume full responsibility for everything in connection with my department. As regards the present form of this vote, I may say that this is the way these items have always been submitted to the House; but as we are about to take them up one by one, I see no reason for objection.

The CHAIRMAN: When several items are included in one resolution in the Estimates any hon. member has the perfect right to make the motion just made by the hon. member for Shelburne and Queen's (Mr. Fielding), that those items be considered separately. I may point out that when several items included in the same resolution are thus considered separately, it is quite competent for an hon. member to move to strike out any particular item. The Chairman has previously ruled that a motion to strike out an item from the Estimates is not in order. This ruling applies only when there is not more than one item in a separate resolution, because a motion to strike out the item would then be a negative motion. When, however, there are several items in the same resolution, hon. members may move to strike out any individual item. The hon. member for Shelburne and Queen's moves that Resolution 126 be considered item by item. Is it the pleasure of the committee to adopt the motion?

Motion agreed to.

Arbitrations and Awards and Costs of Litigation, $2,000.

Hon. Mr. REID: This is an annual vote to provide for the payment of law costs, etc., in connection with arbitrations and judicial awards not anticipated or otherwise provided for. Nothing was spent in this direction last year, and this vote is intended to meet any cases that may arise.

Mr. PARENT: Whereabouts in the Auditor General's Report does the expenditure in connection with this item appear?

Hon. Mr. REID: Nothing was spent last year and consequently there is nothing in the Auditor General's Report in connection with this item.

Mr. PARENT: What was the reason for the vote last year, why was it not expended, and why is it necessary again this year?

Hon. Mr. REID: We are asking for the vote because occasionally the need for this expenditure may arise.

Mr. CANNON: Why is it not indicated as a re-vote?

Hon. Mr. REID: It was thought that between January and March 31, last, there might be a possibility of some of the money being expended.

Mr. CANNON: Then the department still has this money at its disposal?

Hon. Mr. REID: No, the vote lapsed on March 31. Whenever the vote lapses we must insert it again in the Estimates each year.

Mr. PARENT: After the experience of last year why was it necessary to repeat the vote?

Hon. Mr. REID: This vote has been in the Estimates for a good many years. An arbitration may take place at any time and we must have this vote to meet the expenditure.

Mr. PARENT: The item reads "miscellaneous works not provided for." If the minister can point out one single work carried out by the National Railways which does not involve a cost of more than $2,000 I will be very glad to hear his statement.

Hon. Mr. REID: This item represents arbitrations and awards and possible litigation. It has nothing at all to do with the Canadian National Railways; it relates solely to the department. If the item had reference to arbitrations and awards in connection with the National Railways it would appear in the National Railways vote.

Item agreed to.

Board of Railway Commissioners for Canada: Maintenance and Operation of, $206,060.

Hon. Mr. REID: Of this vote $159,760 is required for the salaries of the staff as compared with $154,890 for the fiscal year ending March 31, last; official reporting, $11,800; official car, including the salary of a porter, $3,800; printing, $2,900; stationery, $3,800; telegraph and telephone, $2,000; board and staff's travelling expenses, $12,000; contingencies, $10,000. The only change is in the salaries of the staff, and that is accounted for by the application of the reclassification.

Mr. CAHILL: Are the findings of the Railway Commission laid on the table of the House at any time?

Hon. Mr. REID: The annual report of the commission was laid on the table a short time ago; it consisted, I think, of three or four large volumes.

[Mr. Cannon.]

Mr. CAHILL: Does that report contain the findings of the commission in regard to the increased railway rates and the evidence taken before the commission in that connection?

Hon. Mr. REID: It does not give the evidence, as I understand, but according to my recollection does contain a summary of the decisions rendered.

Mr. CAHILL: Where can we get a copy of the evidence referred to?

Hon. Mr. REID: That evidence is public property. One could obtain it by applying to the Secretary of the Railway Commission, Mr. Cartwright.

Mr. CAHILL: Doesn't the minister think that printed reports of that kind should be laid on the table, or at least typewritten copies, so that members could have access to them from time to time? It is impossible for a member to go down to the office of the commission and sit there and read the evidence through. On the other hand if it were made available here he could make good use of it.

Hon. Mr. REID: I am afraid the making of typewritten copies of the evidence given in each case would involve a lot of work and cause a great deal of expense, and in the long run very few of the reports might be asked for. If any hon. member desires to have a copy of such report, or any other person, it would be desirable to write the secretary of the Board of Railway Commissioners.

Mr. CAHILL: I made application for a copy of the evidence in the rates increase case and was referred to some gentleman in Toronto who would furnish it to me for a certain price. I think when the minister is expending millions of dollars on these railways the extra cost of getting a copy, or copies, of this evidence for the records of the House, or for reference purposes of members, would be very trifling.

Hon. Mr. REID: Of course if these reports are asked for while the House is in session they will be obtained and laid on the table. When the House is not in session and members require reports it is a rather different matter. Then it would not be unfair to ask members, or the public, to pay the actual cost of preparing such reports.

Mr. CANNON: Who are the members of the Railway Commission?

Hon. Mr. REID: Mr. Carvell is the chairman, and Mr. McLean, the vice-

chairman; the other members are Mr. Boyce, Mr. Nantel and Mr. Rutherford. I think there is one vacancy.

Mr. CANNON: This commission is in no way under the jurisdiction of the minister, is it?

Hon. Mr. REID: No. There is a right of appeal to the Governor in Council from any decision of the commission; that is all the jurisdiction the Government has over its actions.

Mr. CANNON: I should like to draw the attention of the minister to the rather extraordinary situation which arises from the fact that the chairman of the Railway Commission in his travels throughout the country speaks officially in his capacity as chairman. If I am not mistaken, a few weeks ago he was out West and there made some rather strenuous statements—according to his habit of speaking which always was strenuous. As a matter of fact, he got into rather sharp conflict with the Minister of Labour. When such a situation arises, has the minister control over the chairman, or does that gentleman represent simply his own personal views?

Hon. Mr. REID: As I understand, he was speaking for himself. He certainly did not speak for my department.

Mr. PARENT: What railways come under the jurisdiction of the Board of Railway Commissioners?

Hon. Mr. REID: All railways that have been declared for the general advantage of Canada.

Mr. PARENT: I mean the Canadian Government railways.

Hon. Mr. REID: There is the Canadian Northern Railway system and its subsidiaries; also the Grand Trunk, if we take it over—

Mr. McMASTER: The Grand Trunk is under the jurisdiction of the Railway Commission, anyway.

Hon. Mr. REID: Yes, that is what I say. The Intercolonial and the Transcontinental will not legally come under the jurisdiction of the Railway Commission until the Canadian National Railways Act has been brought into force. Pending that, the Railway Department notified the Board of Railway Commissioners to treat those railways as if they actually were under their jurisdiction. In other words, if any person had any complaint against those lines he could make it to the Board of Railway Commissioners, and the decision of the board would be confirmed by the Minister of Railways and Canals.

Mr. PARENT: Is that done by Order in Council?

Hon. Mr. REID: No, the minister has power in cases of that kind. Let me give the hon. member a case to explain what I mean. Suppose an application came in for a farm crossing, we would ask the Board of Railway Commissioners to deal with it, and we would confirm their decision; or if the application was made direct to the Board of Railway Commissioners, they would notify the management of the Canadian National railways of their decision, and the latter would carry it out as though the Canadian National railways were actually under the jurisdiction of the board.

Mr. LEMIEUX: Would my hon. friend take this occasion to explain the divergence of opinion between him and one of his former employees—I refer to Mr. Payne—regarding the railway deficit this year?

Hon. Mr. REID: When we started on these items it was understood that we would deal with each item separately, and the item under consideration relates simply to the Board of Railway Commissioners. I think we had better adhere to that understanding.

Mr. PARENT: When the Board of Railway Commissioners were sitting at the city of Quebec three or four months ago I presented a petition signed by the people of a certain parish in my constituency, to the effect that if the commission placed an agent at a certain station the Government railways would be better off to the extent of $15,000 a year. The line in question in that particular case was the Transcontinental railway. Mr. Carvell stated that the commission had no jurisdiction, and I was inclined to agree with this view. Now I am at a loss to find out which is really correct, the chief commissioner or the minister.

Hon. Mr. REID: If I remember rightly, I wrote a letter to the secretary of the Board of Railway Commissioners when Sir Henry Drayton was chairman and gave him those instructions, and it was some time after Mr. Carvell was appointed chairman that some one did have trouble such as the hon. member has mentioned and drew my attention to it. I took it up with Mr. Carvell and he said he had never heard of the instructions that I had given. I then

drew his attention to it by letter and received a reply from him stating that of course the commission would carry out those instructions. I am satisfied that if the hon. member has a similar case to bring before the Railway Commission now he will have no difficulty on the score of jurisdiction. The hon. member, of course, will appreciate that the time is very near now when the Canadian National Railways Act will be brought into force, and under that Act the Intercolonial and Transcontinental railways automatically come under the jurisdiction of the Board of Railway Commissioners.

Mr. PARENT: I am glad to hear the explanation given by the minister. But the case I have in mind is much simpler. Fifteen miles outside the city of Quebec the Transcontinental railway runs through the parish of St. Augustin, but no agent has ever been placed in charge of the station built in that parish. The citizens of that parish presented to the Board of Railway Commissioners not very long ago a petition in which exporters and importers at that place set forth in detail the amounts which they exported or imported in a year, giving the names and complete information, the amounts ranging from $200 to $1,000, $1,500, and so on. They showed that they were paying in freight at least $1,700 a year and they pointed out that if an agent was placed at that station the Government would make at least $15,000 a year. This petition was presented not very long ago at the city of Quebec, after I had tried, but without success, to have the matter attended to by applying to the Canadian National railways. The answer given to the petition by the chairman of the Board of Railway Commissioners was that they had no jurisdiction over such cases. Where, then, are the people of Canada to go in matters of this kind? If you go to the Government, they turn you aside; if you go to the Board of Railway Commissioners, they say they have no jurisdiction. To whom can the people go with a proposal under which the Government, by spending $2,000 a year would make a profit of at least $15,000 a year—and at a time when the Government railways are showing a loss?

Hon. Mr. REID: If the hon. member will write me a note I will bring the matter to the attention of the management of the Canadian National railways and ask them to give it consideration. If their decision is not satisfactory—and this is the procedure with other railway companies as well; in the case of the Canadian Pacific the same thing would be done—I will have the matter taken up by the Board of Railway Commissioners, upon whose decision the board of management must act.

Mr. PARENT: I will give the hon. gentleman another example; it is just as well that the public should know these things. In that very same parish the Canadian Pacific has had an agent for fifteen or twenty years; but since the making of the application to which I have referred the Canadian Pacific have applied to have their agent withdrawn. The minister can draw his own conclusion.

Mr. LEMIEUX: This House has appointed a Special Committee to consider the question of Canada's fuel supply. I notice that Hon. Mr. Carvell was interviewed by several deputations at Winnipeg on that very important question, and it was suggested that if there was a fair reduction of freight rates on coal—during the summer season only, so as to give way to the grain trade in the fall—that would be a practical solution of the problem of coal supply for the West. Mr. Carvell has returned and I would like to know whether the commission has come to any conclusion with regard to the suggestions made by western boards of trade on that subject.

Hon. Mr. REID: I noticed something in the newspapers to the effect that it was the intention of the chairman of the Railway Commission to submit to his colleagues upon his return all the evidence and information obtained at the different points. He has only been home a few days, and I understand that so far no action has been taken.

Mr. FORTIER: I understand that there is a French secretary as well as an English secretary for the Railway Commission. What are their names and their respective salaries?

Hon. Mr. REID: Mr. Cartwright is the English secretary and Mr. Primeau is the assistant secretary. Mr. Cartwright gets $5,000 a year; under the Railway Act as amended his salary was put at that amount. Mr. Primeau gets $3,200, according to information given on page W-57 of the Auditor-General's report.

Mr. FORTIER: Mr. Pirmeau was a member of the Montreal bar, having been a law partner of Hon. Mr. Coderre, one time a colleague of the hon. minister. He

has wide knowledge and experience; his responsibilities and duties are similar to those of the English secretary, and I do not see why his salary should not be the same as that paid to Mr. Cartwright. I hope the minister will see that these salaries are put on the same basis.

Hon. Mr. REID: Possibly Mr. Primeau's salary has been increased by the classification. Of course, this matter is out of the hands of the department; it is dealt with by the Civil Service Commission.

Mr. CANNON: Does Mr. Nantel sit with the Railway Commission now?

Hon. Mr. REID: Oh, yes, he works hard every day.

Mr. ROSS: I understand that there is a vacancy on the board. Is it the intention of the Government to fill that vacancy, or is it not thought that five commissioners are sufficient to do all the work which comes before the board?

Hon. Mr. REID: I would have to consider that.

Mr. ROSS: Has the Cabinet considered it?

Hon. Mr. REID: We have been very busy with these Estimates.

Mr. ROSS: This is a very important matter. There used to be seven members on this board, I understand.

Hon. Mr. REID: I think the number is six now. There is a vacancy at present.

Mr. ROSS: I want just a straight answer from the minister if they have considered the matter.

Hon. Mr. REID: We have not considered the matter up to the present time.

Mr. ROSS: Does the minister think it is necessary to fill the vacancy?

Hon. Mr. REID: If I did not think it was necessary, I would not have it filled.

Mr. ROSS: I do not believe the people of this country think it is necessary to fill the vacancy. There is not work for six commissioners, and it is an unnecessary expense to impose on the country to have six commissioners when there is not work for six. With the heavy debt with which this country is burdened, that is one of the expenditures which it might be wise to cut down.

Hon. Mr. REID: The hon. member was one of those who supported the appointment of six commissioners. This commission was created under the previous Government. I can only give my opinion for what it is worth; my opinion —and it is just as strong as that of the hon. member—is that there should be six men on that commission. Therefore, I say that the naming of six men originally was in the interest of the country.

Mr. ROSS: I have great respect for the minister's opinion, and I always have had; but to say that, because six men were appointed originally, when the work of the commission was in its initial stages and it was getting organized, and making new rules, and when there may have been work for six men, six men are necessary to do the work now when a great deal of the work has become routine work, is not very sound argument. My contention is that there is not work on the commission now for six men, and in the interest of economy this vacancy should not be filled.

Mr. FIELDING: How and when did the vacancy occur?

Hon. Mr. REID: Mr. Goodeve, one of the members, died some months ago, I do not know the date.

Mr. FIELDING: If the commission has been able to get along with five members, and there is no urgency about the matter, the hon. member for Middlesex (Mr. Ross) would have some ground for saying that the additional member is not necessary.

Hon. Mr. REID: The hon. member, (Mr. Fielding) during the years while he was in office, I suppose, had many cases where a vacancy in a court remained unfilled for months and yet the work was carried on. Other judges may have had to work a little harder, and the same is probably true in this case.

Mr. FIELDING: The minister is not very happy in his illustration. The courts are determined by the provincial legislatures which determine the number of judges.

Hon. Mr. REID: The hon. member knows that the Government at Ottawa fills the vacancy.

Mr. FIELDING: But the number is decided by the Provincial Government, and the Government at Ottawa have nothing to do with the number. I am glad of the admiration which the minister expresses for what was done by the Laurier Government, although he is a little late in

expressing it. When these things were done by the Laurier Government, my hon. friend and his friends were the most severe critics. Now my hon. friend shields himself behind what was done by the Laurier Government.

Hon. Mr. REID: We were always glad to support everything that we thought was in the interest of the country. In this particular case, I supported the Bill creating the Board of Railway Commissioners. I remember when the Bill came in, and I am glad that at that time my hon. friend and myself agreed.

Mr. CANNON: A few months ago the commercial interests of the city of Quebec, after having tried for a long time, succeeded in having the Railway Commission visit our city so that the representatives of the Government and the commercial people of Quebec might discuss before the Railway Commission the improvement of the railway situation at large. If I am not mistaken, it was understood at that time that the discussion was to take place between representatives of the Government and these interested parties. Much to the surprise of the public in general and especially of the commercial interests, the Canadian Pacific railway was very largely represented through attorneys and otherwise, and most of the discussion took place through the representatives of the Canadian Pacific. The whole situation was reviewed; the Railway Commission apparently took a very keen interest in the debates which took place, but since then we have never heard a word from the commission. No decision of any kind has been rendered, and the situation remains in exactly the same position as it was then. The minister, earlier in the afternoon, in answer to a question, told me that he had no control over this commission in the way of changing its decisions or anything of that sort; but I would be very anxious to accept the friendly offers, made by the minister frequently while he is passing his Estimates, to do whatever he can for us on this side of the House. About half an hour ago he offered my deskmate, the hon. member for Quebec West (Mr. Parent) to send a note to the Canadian National railways to try to settle up a difficulty which existed in my hon. friend's constituency. I should be glad if the great influence of the minister could be brought to bear upon the Railway Commission, so that we might get some decision and that the Quebec people might know, some time before the end of the year, if possible, exactly where we stand. That would be only fair, especially when we see by the item before the committee the enormous amount of money which is spent every year to pay for the Railway Commission and the staff, in order that it may give proper service and satisfaction to the people. What is the use of having a commission and going to all the trouble which was gone to in the city of Quebec, by both the Railway Commission and the people at large, if, after a hearing of that importance, no decision is rendered?

Hon. Mr. REID: I shall bring the matter to the attention of the Chairman of the Board of Railway Commissioners and ask him what the situation is in connection with the matter which the hon. member has mentioned. As I stated, decisions of the Board of Railway Commissioners are made entirely independent of the department. I will get a reply from the chairman as to exactly what the situation is in connection with the matter and will let the hon. member know.

Mr. PARENT: Just this morning I heard a committee member from British Columbia state that when they wanted members of the board to go and study questions in their part of the country, they could never get them to go to that province. Representatives from British Columbia have to travel to Ottawa in order to appear before the commission. Is there any way in which the commission can be compelled to visit a province like British Columbia?

Hon. Mr. REID: I do not know that there is any way in which we can compel them to go. I do not know whether there is anything in the Act to force them to go to any particular part of the country; but I have always found that if any matter is of great or sufficient importance, the commission will go to any part of Canada. They do go through all parts of Canada. They have, as the hon. member knows, officials whom they send to any place where there is a complaint and where it is necessary that some one should go. I would hardly think that if a case were put up to them where the commission should go and attend personally to a matter, they would not go. If the hon. member has any case of sufficient importance that he thinks they should have gone, and they did not go, I should be very glad to bring it to the attention of the

commission. When the facts warrant it, the commission will take the evidence and look the situation over.

Mr. CRERAR: As far as filling the vacancy on the Board of Railway Commissioners is concerned, I was going to suggest to the Minister that we could probably get along very well without filling it, and save the expense. My own view has been that three members on the Board of Railway Commissioners, with the staff they have should be quite sufficient to discharge all the work that the Board has to do. As a matter of fact I think in the past the active work of the board has really devolved on two or three commissioners. I would earnestly commend to the Minister of Railways that he might well save a few thousand dollars by leaving this vacancy unfilled. In my judgment a board of three commissioners will function just as well as a board of six, and this is not a time when we can think of lightly spending money that it is not absolutely necessary to expend.

Item agreed to.

Board of Railway Commissioners for Canada: to pay expenses in connection with cases before the Board, $5,000.

Mr. COPP: What is that for?

Hon. Mr. REID: This is to provide for the payment of counsel, expenses, and so forth, in any case in which the department might require to have a representative before the Railway Commission. Previous to 1920-21 an amount of $15,000 was in the Estimates for this purpose. We have reduced that to $5,000.

Mr. COPP: What was spent last year?

Hon. Mr. REID: Nothing. The item is only there in case something might turn up where it would be necessary to engage counsel.

Mr. CANNON: By the Government or by the commission?

Hon. Mr. REID: By the commission.

Mr. CANNON: Would the railway commissioners have to do with the payment of counsel?

Hon. Mr. REID: Some case might arise where they would require special counsel.

Mr. PARENT: My hon. friend from Dorchester (Mr. Cannon) mentioned that whenever a case comes before the Board of Railway Commissioners, the Canadian Pacific is always represented by counsel. Are we to infer that the Canadian Government railways also want to have their counsel present in the same way?

Hon. Mr. REID: The Canadian National railways would have to pay their own separate counsel. This is only in connection with the commission itself.

Mr. CANNON: How the commission itself? Has not the commission on its staff somebody in a position to give legal advice? We have just voted $206,000 for the staff. Am I to understand that there is nobody on that staff in a position to give legal advice to the commission?

Hon. Mr. REID: There might be a case between the Canadian Pacific and the Canadian Northern, for instance, in which the public should be represented, and where it would be in the public interest that the commission should have an independent counsel. In cases of that kind they would have to engage counsel, but it is only in exceptional cases. The appropriation is very seldom used.

Mr. CANNON: I do not wish to show any lack of proper consideration for the Minister, but when he gives an explanation such as he has just given to the committee, I think the members have a perfect right to smile, and smile broadly. The minister said that counsel might be engaged in cases where it was in the public interest for the railway commission to do so, and he instanced a case between the Canadian Northern and the Canadian Pacific.

Hon. Mr. REID: They both might appear before the commission.

Mr. CANNON: But the people of this country are paying millions of dollars every year for their railways; either this railway is ours or it is not.

Hon. Mr. REID: There might be a case in connection with the Grand Trunk.

Mr. CANNON: The minister did not suggest the Grand Trunk, but even if he had, his argument would be no more applicable. For the last three or four years this House has been voting millions of dollars to acquire railroads. Every year the amount we have to pay increases and the Minister of Railways, who spends that money to buy railways—he certainly did spend the money, and I hope he has bought something with it—now comes before the committee this afternoon and tells us that we do not own the railway. I think that the people of this country are entitled to a clear explanation from the minister. If this railway belongs to us, the Government

can protect their own railway, and we do not need to vote $5,000 or $10,000 or even five cents for special counsel. We have the Department of Justice, and counsel attached to the Railway Department. If the minister seriously makes the declaration that the railways do not belong to us, but are absolutely independent of the Government and their interests different from those of the Government, I think the people of this country will have something to say to the Government.

Mr. CAMPBELL: Will the minister give a concrete case, or even a hypothetical case, where this money might be used? Candidly, I do not understand just for what purpose it is to be used.

Hon. Mr. REID: In answer to the hon. member for Dorchester (Mr. Cannon), if it was a case in connection with the Canadian National Railways they would pay their own counsel; the money would not come out of this vote at all; but there are cases where it might be in the public interest to engage outside counsel.

Mr. CHISHOLM: For instance?

Hon. Mr. REID: There might be a telephone rate case, or something of that kind, where the public should be represented other than by the officials of the commission. This vote has been used in years past, and it is thought well to keep it there to protect the public.

Mr. CANNON: When was the last case?

Hon. Mr. REID: If the hon. member wishes me to give some better explanation, I would suggest that the item stand and I would ask the Chairman of the Commission to furnish me with more details.

Mr. CHISHOLM: Has this item been used in one instance?

Hon. Mr. REID: My deputy tells me that it was used three years ago.

Mr. CANNON: In what case?

Hon. Mr. REID: I cannot say at the moment, but if the hon. member wants concrete cases, we can let the item stand until after dinner, and I can get the information from the commission.

Mr. CANNON: I would like to have the explanation now. I do not want to be unjust to the minister. He does not know everything, but what he does not know, his help here ought to know. When he comes before this committee, I think we are entitled to a satisfactory explanation, and I think we should have it now. The minister is a very clever man, in a way. Whenever de does not give an explanation, he proposes that we should go and have dinner, knowing that after our dinner is over our digestions may not be in good order and we may forget about the explanation. I want that explanation now, not after dinner, and I think it is only fair that the minister should give it. The minister has right next to him his chief engineer and the deputy minister, who knows all about the railway situation in Canada and the Railway Commission. My hon friend, a moment ago, told us that one concrete instance in which this item might be applied would be the case where the Canadian Northern might be before the commission. His second statement nullified the first, because he said it would not apply in such cases. When I asked the minister to state a real instance of this application, he said it would apply when a telephone case was before the commission. Why should it apply particularly when a telephone case is before the commission? Would it be because, when a telephone company is before the commission, some of the commissioners cannot sit? We ought to know. I am a lawyer, accustomed to pleading before the courts, and as a rule, whenever a question arises before a court, parties interested are represented by counsel and the tribunal has not to pay extra counsel. Generally the parties interested have too much representation.

Mr. FIELDING: I am going to come to the aid of the minister. I have a hazy recollection of circumstances arising which led to this vote being originally proposed. You do not want any special vote for the Canadian Northern, or the Canadian Pacific, or the Grand Trunk, or a telephone company, or any of the big corporations; they are always represented before the Railway Commission. But I think it was alleged that sometimes a public interest is developed which is not represented before the commission, the case of some person who is not able to employ expensive counsel, and it was thought well to make provision for such cases.

Mr. PARENT: If the Minister of Railways had made such a statement as we have just heard, there would have been no objection to the vote.

Item agreed to.

Contribution to International Association of Railways Congress—$97.33.

Mr. CANNON: Who got the money under this vote last year?

Hon. Mr. REID: The International Association of Railways was established in 1882, and its object is to further all matters particularly connected with the progress of railway communication, by uniting in one association the railway administration of states and public companies in all parts of the world. This has been an annual vote.

Mr. CANNON: I have no objection whatever to the vote, and I must congratulate the person, whoever he may be, to whom this money is paid, for the moderation of his expenses. I trust that whenever the Government is called upon to appoint a delegate this gentleman will be chosen. He is most reasonable, and I hope that the results he obtains will exceed in value the expenses he entails.

Item agreed to.

Commissioner of Highways. To provide for the organization and payment of staff to Commissioner of Highways, including A. W. Campbell, C.E., as Commissioner of Highways at $5,000 per annum, $53,000.

Hon. Mr. REID: The following is a list of salaries and expenses:

Commissioner	$ 5,000
Secretary and two clerk stenographers	2,010
Messengers	300
Chief Engineer	6,000
Senior draftsman	2,220
Two clerks	3,660
Inspecting Engineer, Quebec	3,300
Inspecting Engineer, New Brunswick and Prince Edward Island	3,000
Inspecting Engineer, Manitoba, Saskatchewan and Alberta	3,600
Stenographer	1,020
Total	$30,110
Expenses Inspecting Engineer, Quebec, rent and expenses	600
Inspecting Engineer, New Brunswick and Prince Edward Island, rent and expenses	600
Inspecting Engineer, Manitoba, Saskatchewan, and Alberta, expenses	300
Travelling Allowances	10,000
One motor, (Quebec) inspector	2,000
One motor, Maritime Provinces inspector	2,000
One motor, Western inspector	2,000
One motor, Ontario inspector	3,000
Printing and stationery	1,000
Total	$21,500
Unforeseen	$ 1,390
Grand Total	$53,000

Mr. CHISHOLM: The minister has mentioned inspectors in connection with several provinces; he has mentioned Quebec, New Brunswick, Prince Edward Island, and Manitoba. He has not said anything about Nova Scotia, Saskatchewan, Ontario, and British Columbia.

Hon. Mr. REID: Ottawa is headquarters for Ontario. The men here do the inspecting for this province, and save an engineer's expenses.

Mr. CHISHOLM: What about Nova Scotia?

Hon. Mr. REID: We had a Mr. Henry, and now Mr. Woss.

Mr. CHISHOLM: What salary is paid this man?

Hon. Mr. REID: Mr. Woss is not in this list because he was temporarily employed after Mr. Henry's resignation.

Mr. CHISHOLM: You have provided automobiles for inspectors in some provinces, and not in others. I do not understand this.

Hon. Mr. REID: We have not a special amount for an inspector for Nova Scotia. We have an inspector for New Brunswick, and he has been assisted by Mr. Woss. We shall have to ask for an inspector for Nova Scotia in the Supplementary Estimates.

Mr. FIELDING: I take it that the work done by the Government of Nova Scotia is so satisfactory that they do not need to employ any one to watch it, and we accept the compliment. Has not Mr. Campbell the rank of a deputy minister? If so, why does he not get the same salary?

Hon. Mr. REID: Mr. Campbell occupies the position of Commissioner of Highways. That is the title that was given him, and he gets the salary that was fixed for the position.

Mr. FIELDING: Has he not the rank of a deputy?

Hon. Mr. REID: No.

Mr. COPP: There is an increase in this item from $25,000 to $53,000. I presume there has been a reorganization of the department since last year to account for that increase.

Hon. Mr. REID: There was not very much work done last year; and, as the hon. member will have observed from the statement I read, one large item is the sum of

$9,000 for motors. Inspection work in all provinces is on a larger scale than it was a year ago and requires a larger expenditure.

Mr. COPP: But the motors make a difference of only $9,000. Has there been a reorganization of the office and staff since last year? I want to know what accounts for the increase.

Hon. Mr. REID: Last year we only had Mr. Grant at the time the vote was passed. The others came on later in the year and we have to provide for their salaries. The work had not been really organized or got very far ahead and the engineers of the department handled it and kept the organization moving. Then we appointed permanent inspectors and their salaries in full are required for the year.

Mr. COPP: Who is the inspector for the provinces of New Brunswick and Prince Edward Island, and when was he appointed?

Hon. Mr. REID: Mr. Dick is the inspector for the provinces of New Brunswick and Prince Edward Island. He is an engineer and was employed on railway construction.

Mr. CASGRAIN: On the Quebec and Saguenay.

Hon. Mr. REID: Yes on the construction of the Quebec and Saguenay railway.

Mr. COPP: Is he a former resident of the province of New Brunswick?

Hon. Mr. REID: I could not say.

Mr. PARENT: What is the amount of the Budget that will be at the disposal of the Commissioner of Highways?

Hon. Mr. REID: The hon. member will recall, of course, that a vote of $20,000,000 was passed. Each province is entitled to its share of that, and the commissioner and his staff will have supervision of the expenditure. The money has to be expended within a period of five years. Some provinces will perhaps expend more of the proportion allotted to them in a year, and others will perhaps expend less. The staff must supervise and audit the expenditure and see that it is made in accordance with the provisions of the Act.

Mr. PARENT: I would imagine that the Commissioner of Highways, who is to have the control of the expenditure of such a large amount of money, should be paid a larger salary than $5,000 a year. Although not in favour of lavish expenditure I should think that a professional man, such as a civil engineer, who occupies such a responsible position, should be paid a larger salary, and if the minister wishes to do justice to an efficient official he should see to it that his salary is more commensurate with the responsible duties which he discharges.

Mr. CANNON: Would the minister be good enough to tell the committee what amounts, out of this $20,000,000, have already been expended, what amounts are to be expended this year, whether any balance will remain after this year's outlays, and, if so, what that balance will amount to?

Hon. Mr. REID: The money has been divided as follows among the provinces: Prince Edward Island, $603,455; Nova Scotia, $1,468,720; New Brunswick, $1,163,845; Quebec, $4,748,420; Ontario, $5,877,275; Manitoba, $1,602,265; Saskatchewan, $1,806,255; Alberta, $1,477,810; British Columbia, $1,251,955. As to the expenditures already made they were given in reply to a question put in the House on April 12. It shows that Ontario had received $295,100 of its share; British Columbia had received $86,446.52; Prince Edward Island, $40,264.79; and Quebec had received up to that time $56,374.19, but a day or two afterwards additional payments made raised the total to $109,000.

Mr. CANNON: Those are the expenditures for the last two years?

Hon. Mr. REID: From the time the Act came into force up to the present.

Mr. CANNON: Then there was not half a million dollars spent?

Hon. Mr. REID: There was not anything paid last year; there was very little work done. But these highways are all under way now, and from this time forward the expenditures will be made in larger amounts and at a much faster rate.

Mr. CANNON: What are the estimated expenditures for this year? It strikes me as rather extraordinary that we should maintain a large staff and provide them with salaries and automobiles, when only half a million dollars has been spent in two years, unless there has been a change in policy.

Hon. Mr. REID: There was very little expenditure last year on the staff and organization, but the commissioner tells me that, as nearly as he can estimate, we

shall have to pay about $2,500,000 this year. But the provinces may rush the work on at a much faster rate, in which case we will pay our proportion of the expenditure.

Mr. CANNON: How will that $2,500,000 be distributed among the provinces?

Hon. Mr. REID: I have not got that precise information but it will be paid in accordance with the provisions of the Act.

Mr. CANNON: Have there been any pressing demands for this money from the different provinces?

Hon. Mr. REID: Every province is taking up its full amount, there is no doubt about that. The provinces are all carrying on work that will use up every dollar they are entitled to under this Act.

Mr. CANNON: Apparently not. Judging by the figures given by the minister a little less than half a million dollars has been expended up to date. This year the minister estimates that his expenditure will amount to $2,500,000, or a total of about $3,000,000, so that the requests from the different provinces cannot be very pressing when there is such a small expenditure out of a total of $20,000,000 at their disposal.

Hon. Mr. REID: I may say to the hon. member that the first year after the Act had gone into effect the provinces had to prepare their plans and locate the works to be constructed. As a result of that the calls for money did not involve a considerable amount. Now these works are going ahead pretty fast, and there is not any doubt at all the provinces will use every dollar to which they are entitled within the period of five years during which the Act is effective.

Mr. CANNON: In the minister's opinion would it not be a very good policy for the Government to cut out this expenditure altogether?

Hon. Mr. REID: Of course the hon. member knows that the policy of Parliament decided the making of these agreements. Under those agreements works have been undertaken that will require every dollar of the money to be granted, and it would be impossible now to cut out these grants.

Mr. CANNON: Does the minister mean that an agreement has been signed between the Federal Government and every province?

Hon. Mr. REID: Yes.

Mr. CANNON: Will the minister say when the agreement with the province of Quebec was signed?

Hon. Mr. REID: We signed agreements for each particular road.

Mr. CANNON: For each particular road?

Hon. Mr. REID: Each province has a layout of the various routes projected, and then as each route is ready it is submitted to our staff for report and approval and, if approved, an agreement is made and signed in which an estimate is given of the total cost of the particular road, of which cost we agree to pay forty per cent.

Mr. CANNON: I understand that, but my information is that the Provincial Government of Quebec refused at first to accept the condition made by the Federal Government. I do not know whether later on an agreement was signed, but if so, I would like to know when, the nature of it, and what new conditions were arranged.

Hon. Mr. REID: We have signed several agreements with the province of Quebec, and so far as I understand there is not any trouble between the two governments at the present time.

Mr. CANNON: When were those agreements signed?

Hon. Mr. REID: Agreements were signed from time to time during last year.

Mr. FORTIER: Has the minister a list of the proposed road construction in the province of Quebec submitted by the Provincial Government to the Federal Government?

Hon. Mr. REID: I have in my hand a plan submitted by the Provincial Government showing the layout of various projected roads and the agreements that we have signed in connection therewith. For instance, it shows the following projects:

No.	Name of Road	Miles
1a.	Montreal-Sherbrooke	85.25
2.	Montreal-Quebec	
3.	Lévis-St. Lambert	177·
4.	Caughnawaga-Malone	45.38
5.	Beauce Junction-Sherbrooke	95.58
9.	Montreal-Rouses Point	39.47
10.	Lévis-Sherbrooke	128.18
11.	Montreal-Mont Laurier	140.04
12.	St. Hyacinthe-Chambly	14.72
15.	Victoriaville-St. Angèle	35.
16.	Richmond-St. François du Lac	39.4
14.	Lacolle-Laprairie	34·
6.	Lévis-Rivière du Loup-Rimouski	184.45
17.	Hull-Aylmer	6.184

Mr. PARENT: All those are suggestions?

Hon. Mr. REID: These have been approved and agreements have been signed.

At Six o'clock the committee rose and the House took recess.

After Recess

The House resumed at Eight o'clock.

PRIVATE BILLS

SECOND READINGS

Bill No. 132 (from the Senate), respecting the Maritime Coal, Railway and Power Company, Limited.—Mr. Maclean (Halifax).

Bill No. 133 (from the Senate), for the relief of Elizabeth Gertrude Conner.—Mr. Copp.

Bill No. 134 (from the Senate), for the relief of Louise Sullivan.—Mr. McMaster.

THE JAMES MACLAREN COMPANY.

On motion of Mr. Fontaine, the amendments made by the Senate to Bill No. 8, respecting The James MacLaren Company, Limited, were read the second time and concurred in.

SUPPLY

The House again in Committee of Supply, Mr. Boivin in the Chair.

The CHAIRMAN: When the committee rose at six o'clock we were considering item No. 126. A motion had been made by the hon. member for Shelburne and Queen's (Mr. Fielding) that the resolution be considered item by item, and we had reached the fifth item, which reads as follows:

Commissioner of Highways: To provide for the organization and payment of staff of Commissioner of Highways, including A. W. Campbell, C.E., as Commissioner of Highways at $5,000 per annum, $53,000.

Mr. CANNON: The minister has said that several agreements have been entered into between the Federal Government and the Government of the province of Quebec with respect to the construction of highways, the cost of which would be above the $20,000,000 voted by Parliament two years ago for the whole of Canada. Under what conditions were these agreements entered into? Were the first conditions offered to the Provincial Government accepted, and if not what changes were made?

Hon. Mr. REID: In all the provinces the procedure is to select the roads they intend to work on; then they take the matter up with our officials and an agreement is entered into in respect to those on which we are willing to pay our forty per cent, the province paying sixty per cent. The amount involved in respect of the roads in the province of Quebec on which we have definitely agreed to pay our forty per cent does not come to anything like $20,000,000. Some of the provinces have submitted plans which will take up the whole of their proportion; others have not proceeded to the full extent of the amount to which they are entitled. Quebec and Ontario are among the latter. If I remember rightly, Ontario has submitted plans which on the basis of our forty per cent involve an expenditure of about $2,800,000.

Mr. CANNON: For the coming year?

Hon. Mr. REID: Oh, no. Some of the roads may be completed within a year; in other cases it may be two or three years before the work is completed. Quebec has entered into agreements involving about $1,800,000, but they are busy preparing plans for the taking up of the rest of their allotment.

Mr. CASGRAIN: Has any proposal been submitted by the province of Quebec with regard to a projected highway between St. Joachim in the province of Quebec and St. Simeon, passing through Baie St. Paul and Murray Bay?

Hon. Mr. REID: No.

Mr. CASGRAIN: I think there was a discussion between the minister and the Commissioner of Highways with regard to the granting of these subsidies to different municipalities along the road between Quebec and St. Joachim. Has the Government arrived at any decision in that matter?

Hon. Mr. REID: I do not know whether that particular point was discussed; the question was taken up as to including certain villages, and so on. Of course, each province has its own regulations with regard to its incorporated villages, towns and cities, but we came to a satisfactory arrangement in that regard. I may say that so far no difficulty has been experienced with any of the provinces in connection with the administration of the Act.

Mr. BEST: How many miles of highway in Ontario have been approved by the Dominion Government?

Hon. Mr. REID: The number of miles approved in each province is as follows: British Columbia, 10 roads, 140 miles; Saskatchewan, 3 roads, 104 miles; Ontario, 16 roads, 526 miles; Quebec, 10 roads, 154 miles; Prince Edward Island, 63 miles; Nova Scotia, 44 miles. This statement was made in March, and there has been a number of additions since, which I have not here.

Mr. BEST: Is it a fact that on the different provincial highways throughout Ontario, the Dominion Government is paying 40 per cent.

Hon. Mr. REID: Only on those regarding which we have signed an agreement with the Ontario Government, not on the whole plan as laid down.

Mr. BEST: The minister told us that there were no complaints about the way in which this money was spent. I have been in Parliament for twelve years, and I have never heard so much complaint regarding any government in power as I have of this one with regard to the way in which this money has been spent. Three members of this House went down to the commissioner to find out what amount had been paid to the Ontario Government by the Dominion Government. We were told distinctly by the commissioner that nothing as yet had been paid. We were also told that very few miles of road had yet been taken over. Two days later, when a communication was sent to the commissioner's office asking for a report as to how many dollars had been paid out, to whom it had been paid and what number of miles had been taken over, we found that about a quarter of a million dollars had been paid. Something must be radically wrong if the commissioner is not able to tell what amount of money has been spent. This money has been spent very foolishly in Ontario; in some instances two or three roads running parallel have been taken over while other parts of the province have not been getting any benefit from this grant.

There is a government road running right through the constituency which I have the honour to represent, and our roads are worse than they were before they were taken over. Immediately they are taken over, the municipalities decline to do a dollar's worth of work and the roads are left in a bad state. Roads in our province are 66 feet wide, and now the Ontario Government is speaking about making them 86 feet wide, whereas 66 feet is too wide. The people are finding fault and rebelling against this proposition, and it is up to the Government, when they pay money to any Provincial Government, to see that it is properly and not foolishly spent. My contention is that moneys granted for highway purposes as well as for other purposes are spent foolishly. Farmers say that if this sort of thing is continued, they will have to abandon the farms because taxes are getting so high that it will be impossible for them to pay them. It is about time for the Government to instruct its officials, who are paid to look after the spending of this money, to make sure that it is honestly and justly spent. I was informed that the work on these roads was being done by contract. There is no such thing as contract work on roads in any part of the province; the work is done by day labour, and almost all of the halt, lame and blind in the community are on the road, mostly sitting under shade trees, drawing four or five dollars a day. I am speaking now of what occurred last year. Few people know that the Dominion Government is providing part of this expenditure, and now that people are finding that out, they are finding fault with the Dominion Government for the way in which the money is spent. Under what conditions is this money spent? Who sees if the department here is getting value for every dollar that is spent on the roads in order that the money may not be wasted?

Hon. Mr. REID: What road does the hon. member refer to?

Mr. BEST: I refer to a road in Wentworth county that I travel over, that will cost probably $1,500,000, and I do not think there is any need in the world for such an expenditure. A high bridge is being built in connection with it, and farmers and other people are rebelling against this expenditure. I do not know whether the road from the city of Toronto to Brantford, or any part of it has been taken over, but I know that the money along there has been squandered.

Hon. Mr. REID: With reference to the expenditure in Dundas county, and in fact, in all of the counties where men are at work on roads, there is no doubt that the roads cannot be kept in good shape while the work is being carried on. The men have to excavate and dig out the roads and then put in rock and a top on that. It takes two or three years before you can get a road in good shape, so that once a road is taken over and work is commenced on it, the people travelling along that road

are bound to suffer great inconvenience until the road is completed. In fact, until then, they have to take another road if they want to have a road on which they can travel satisfactorily. As regards the road in the district in which the hon. member lives, I do not know whether that has been approved or whether an agreement has been entered into. I could not tell unless I knew the road referred to.

When this work was commenced, we had to create a special organization, first, of engineers to inspect the work as it goes along. The Provincial Government have their staff of engineers who are in charge of this work. The arrangement is that the Ontario Government, or any other provincial government, call for tenders where it is possible to let the work by tender; the work is carried on under the supervision of their engineers, and I presume that the provincial governments endeavour to get value for their 60 per cent of the expenditure. The duty of our engineers is to see that specifications are prepared and the work carried on in accordance with the agreement made for the particular road; to see that we get value; and that the expenditures are fair and reasonable. We also have our audit staff which goes and investigates the books of the Ontario Government from time to time and keeps a close watch on all expenditures. I do not know that there is much more that we could do to protect expenditures.

Mr. EULER: As regards roads being built in Ontario—I am referring more particularly to roads in western Ontario, such as the highway from Hamilton to Dundas and up to Galt and Kitchener—I should like to know whether the kind of road that is being built meets with the approval of the department. I presume they have something to say with regard to that; that they would not sign an agreement unless they were satisfied that the road was of the right type.

Hon. Mr. REID: Our engineers and staff must approve all the roads before we sign the agreements. We have not made any agreement with the Ontario Government regarding the road from Dundas to Kitchener; so of course we are not responsible for anything in connection with the construction of that road.

Mr. EULER: Is there an agreement as to the part from Hamilton to Dundas?

Hon. Mr. REID: Yes.

Mr. EULER: Is the road further to the north to be of the same kind?

[Mr. J. D. Reid.]

Hon. Mr. REID: I cannot say until the agreement is submitted.

Mr. EULER: I am not an expert on roads, but I understand that there has been a great deal of dissatisfaction with regard to that particular section of the road. Of course, it may not have been well founded.

Mr. STEWART (Hamilton): There is a certain road, which I have been told is the county road, running north from the city of London. Is that portion of the road running north from the boundary line of the city a Government road?

Hon. Mr. REID: I understand it is a road that the Dominion Government have approved, and have undertaken to pay a certain portion of the cost.

Mr. STEWART (Hamilton): I have been over that road, and positively it is the worst piece of road I have seen for years. Let me give you an idea of the condition it is in. The automobiles make ruts in the road the size of the tire, and last summer I counted seven ruts in the road nearly a mile long, running from the city of London north. They told me that the road had been built only two months before. All the money spent on it has been lost—every cent. If that is one of these Government roads, I think a special committee should be appointed to go out and examine it and find out whether or not our money has been thrown away. I believe it has.

Hon. Mr. REID: I know that some roads which people think are completed are not at all completed. After a certain amount of work has been done on the roads, they must remain in that condition until the foundation settles and becomes hard enough to have the top dressing put on. I know some roads in Eastern Ontario that are in just about the same condition as the one my hon. friend has mentioned. Only the foundation is there, but after that has settled and become hard, perhaps in the fall or next year they will put the top dressing on, and it will then be a permanent road. That is the intention, and it is what the agreement provides for. All our officials have been warned that the roads will not be accepted unless they comply with the terms of the agreement, and the money is not paid until the roads are approved and taken over.

Mr. STEWART (Hamilton): The minister's answer only makes matters worse. The foundation is what we want

substantial. Everybody who knows anything about a road knows that the top is only a light cover, and is quite different from the foundation. I would like to know whether that road is finished or not.

Hon. Mr. REID: The road is not finished, so far as any agreement we have entered into is concerned.

Mr. STEWART (Hamilton): Is the foundation finished?

Hon. Mr. REID: I have not been over that road lately, but I will get detailed information and send it to my hon. friend about Monday or Tuesday.

Mr. STEWART (Hamilton): If the minister will give the information to the House that will be quite satisfactory to me.

Mr. LEMIEUX: If there is any difficulty in building roads in Ontario, the province of Quebec will be only too glad to lend its good offices and send its engineers to help in this work. In our province we have the best roads in Canada to-day, and we have any number of tourists travelling over the province in the summer, although, of course, there are many other reasons besides the good roads why tourists come to our province.

Mr. BEST: Has not the province of Quebec already lent its engineers to the Dominion Government?

Mr. LEMIEUX: Yes. Last fall a road near Ottawa was required to be completed in short time, and the Government of the province of Quebec did not wait for the application of the Ontario Government but sent along its engineers and the necessary machinery. There was a real love feast between the two provinces, and it was a striking evidence of the good spirit which exists between them to-day.

Speaking of highways, I would like the Minister of Railways to take notice of the decision which has been arrived at lately by the Government of the province of Quebec to rebuild a road, which is practically a federal road, in the peninsula of Gaspé. It is known as the Maritime road. It was originally built by the Federal Government at the time of Confederation, for the maintenance of light houses and the telegraph line. The telegraph line in those days was the property of the Dominion Government. Now it is the property of the Great Northwestern Telegraph Company, but the lighthouses are still dotting the coast from Cape Chat as far as Gaspé basin. At my request, the Government of Quebec decided this year to undertake the renewal of that old road, which was badly in need of repair. The Hon. Mr. Perrault, of the Quebec Government, has told me that he is awaiting the decision of the Dominion Government as to contributing its share towards the reconstruction of that road. I will send the papers to my hon. friend, and I hope he will consider the application favourably.

Hon. Mr. REID: No agreement has yet been entered into by the Dominion Government as to that road, but when the application is submitted by the Quebec Government, we will try and do what we can.

Mr. BEST: When the Provincial Government asks the Dominion Government to say whether it approves of a certain road, does the Dominion Government send an inspector to inspect the road after it is completed, or does it send an overseer who watches the progress of the road from day to day?

Hon. Mr. REID: The roads are under the charge and supervision of the Provincial Government. They have a permanent engineer on the road. We also have engineers travelling over these roads as they are being constructed. We do not have a man on one particular road all the time, but he travels about to see whether the work generally is being carried on in accordance with the agreement.

Mr. CLARK (Red Deer): Does the minister expect this co-operation between the Dominion Government and the provinces to go on from year to year? Is it to be a perpetual co-operation? Is that to be the permanent policy of the Government, or is it only temporary?

Hon. Mr. REID: The hon. member understands that we are working under a Bill that was passed by Parliament regarding the construction of highways, and our assistance will continue until the $20,000,000 has been exhausted. Then it will end.

Mr. FORTIER: Before recess the minister was reading, from a map approved by the province of Quebec, and submitted to his department, a list of the highways in Quebec. When the committee rose he had not concluded. I understand that another highway has been approved of by Quebec—probably it is mentioned in the plan—from Hull to Montreal. Many years ago the Government of Quebec contem-

plated work on this road, and I am sure that an agreement in respect of it has been submitted to the department. Already work has been commenced on that highway, many miles having been completed. I am informed that last year the work was carried on with the understanding that the Federal Government would contribute its share of 40 per cent. Operations have now been suspended, to the great disadvantage of the municipalities concerned. My impression is that this highway has been approved by the Dominion Government also. Is that correct, and is it the intention to proceed as quickly as possible with the work during the coming summer? Many municipalities, especially in the county of Labelle, have passed by-laws in regard to the road, in the belief that the federal grant would be given. They will be greatly disappointed if they do not receive an assurance this year that the federal grant will be given them.

Hon. Mr. REID: An agreement has been entered into in regard to a portion of the road between Hull and Montreal for about six miles. This road is on the general plan of the province of Quebec, but the Provincial Government has not yet made application to the Dominion Government for an agreement under the Act in regard to the whole road. Until they do make application and an agreement has been entered into, no action can or will be taken by this Government.

Mr. FORTIER: Has any action been taken by the Provincial Government.

Hon. Mr. REID: They must first take action. They must decide what roads they want to come under the Act, and then make application to the Dominion Government. We will then send our engineers to report whether we would be justified in entering into the agreement with the province in regard to those roads. But until the province itself moves in the matter we will do nothing.

Mr. FOURNIER: How much has been expended in the province of Quebec under this Act, to date?

Hon. Mr. REID: I gave a statement this afternoon on that question, but I will repeat it. On April 12, I gave an answer in the House to a question, and stated that $56,374.19 had been paid to the province of Quebec to date. The accounts are now being adjusted with a view to further payments, but the last time I looked into the matter, a week or so ago, the amount was $109,000.

[Mr. Fortier.]

Mr. FOURNIER: I have some criticism to offer on this question. I have no fault to find with the Commissioner of Highways, whom we properly call "Good Roads" Campbell. But in the Act there is a provision that everything must be done by contract. Now I may say offhand, and I think I am right, that in the province of Quebec we have built roads without calling for tenders, and have got satisfaction. We have been able to build them cheaper and with better results. If the work is given to contractors they will absorb about 35 per cent, and we will get, in the province of Quebec, only 5 per cent benefit out of the grant. Quebec has been paid, so far, according to the minister's statement, only $56,000, and if that province has not taken advantage of the scheme to any greater extent, it is because we can build roads cheaper and to better advantage, and do not think we should have the Government pay 40 per cent, the great bulk of which would only go to contractors, the province benefiting to the extent of only 5 per cent. I put this to the minister as a fair matter for discussion.

Hon. Mr. REID: When the Act was passed the House agreed, and a clause was inserted so providing, that wherever possible, in the public interest, tenders should be called for; and where this has been done it has been as a result of agreement between the Provincial Governments and the Dominion Government. Of course, there are some cases in which you could not call for tenders because the work could not be done by contract. In such cases an agreement is entered into to have the work done by day work. As I said a while ago, the province of Quebec has entered into an agreement under which, so far, we shall have to pay them at least $1,500,000; and judging by the agreements that are now being submitted, there is no doubt that at the end of five years they will have taken the total amount allotted.

Mr. MARCIL (Bonaventure): What roads are about to be built in Quebec this year?

Hon. Mr. REID: The roads are: Montreal-Sherbrooke highway; Orford, Magog, Bolton, Shefford, St. Cesaire, St. Marie de Monmoir. Montreal-Quebec highway, 48.13 miles. Levis-St. Lambert highway: St. David, St. Telesphore, St. Romuald, St. Nicholas, Deschaillons, Contrecoeur, Boucherville, Longueuil, Beauce Jct. Sherbrooke highway; Levis-Rivière du Loup-

Rimouski highway. Montreal-Rouse's Point highway. Levis-Sherbrooke highway.

Mr. SEXSMITH: How much money has been paid up to date on the Toronto-Kingston highway, and what progress has been made?

Hon. Mr. REID: I have not the details of each road; I have only the total amount for each province. If the hon. member wants to have the details in regard to each road I shall have to get them.

Mr. SEXSMITH: I think what I have asked for is a very important detail in connection with this highway from Toronto to Kingston.

Hon. Mr. REID: No doubt about it.

Mr. SEXSMITH: I think we should have some information in regard to the matter; they have been spending money on this highway for the last eight months, perhaps more. If the minister cannot give us the actual amount of money, can he state what it is estimated this road will cost per mile?

Hon. Mr. REID: I have not any information of that kind before me now. If hon. members would mention what information they require I will get it for them. I have not this particular agreement here. There are a great many agreements and in each of them it is stated what the road provided for is estimated to cost, but if the cost be more than the estimated amount we only pay our forty per cent. There is a clause in the agreement with each province which provides that notwithstanding the fact that the road may cost more than the total amount the province is to receive as its quota, the grant shall not exceed what the province is entitled to receive under the Act.

Mr. SEXSMITH: That is a very indefinite statement. We are going to expend $20,000,000 toward the construction of highways in the provinces, of which amount it is proposed to expend $7,000,000 in the province of Ontario. I think at least we should have some idea whether that money is going to be spent on one particular road, or in one particular part of the province. The minister has his engineer sitting in front of him, and if we have entered into any agreement with the province of Ontario in connection with this particular road I think we should be told something about it. The Toronto and Kingston road, as we all know, runs along the lake front, and through the same district there are three railways running—one double track railway, and two government owned railways, and in addition a hydro-electric railway is proposed. Now, I understand, the proposition is to expend perhaps a million or two million dollars on this highway while not a dollar has been spent in the district forty or fifty miles north of it. I would not want to say that the minister or the department was deliberately setting out on a policy of building speedways such as we heard so much a year or two ago in the last provincial election. During that election in the province of Ontario great opposition was made to this road plan by the party now in power in the province on the ground that it contemplated building speedways for the inhabitants of the cities to run automobiles and go picnicking over. I do not know as to the truth of the report, but I am now beginning to entertain the suspicion that that is exactly what the department here, in conjunction with the Provincial Government, is deliberately setting out to do. I am not saying that the proposition is absolutely wrong, but I do maintain that it is not to the best interests of the country. Of course hon. gentlemen around me may be quite satisfied that this cement highway should go along the lake shore where there are already two government railways and a privately owned double track railway. Later Sir Adam Beck will come along with his Hydro Electric railway, because I understand that is on the programme, and place it side by side with the others. At the same time there are other parts of the province of Ontario which need consideration just as much as the district through which this Toronto and Kingston highway will run. If we are going to open up highways throughout the province of Ontario, or throughout Canada, for the benefit of the people, supply we are not going to spend all the money on one highway or one chain of highways. I would again ask the minister if he cannot give us some information as to the arrangement which has been entered into with respect to this road? I would ask what the road is going to cost and of what material it will be built?

Hon. Mr. REID: The hon. member is absolutely right in his statement, and he is entitled to get all the information he wishes with respect to any road. As I stated a few minutes ago, I have not the

information here as to any particular highway. My officials should have it here at my disposal, but I have not got it. Now, what I propose doing is this: At the next sitting I will have before me a statement showing each and every contract, or agreement, that we have entered into with every province. That is what I should have had here to-night, but unfortunately, my officials came unprovided with it. In the meantime I am going to ask that this item stand, and when we take it up again I shall have full details with respect to every one of these agreements. Then I hope to be able to afford such information as the hon. member asks for. For that reason I would ask that this vote stand and that we proceed with the next item.

Mr. SEXSMITH: I am glad the minister has agreed to let the item stand. If we are going to vote money for highways we should have full information with respect to the proposed expenditure and some concerted plan should be agreed upon.

An hon. MEMBER: Yes, a Conservative plan.

Mr. SEXSMITH: A well thought out and comprehensive policy should be adopted, instead of having two or three men going out and building speedways from Windsor to Halifax. Of course, if that is what the Dominion and provincial governments contemplate, as being in the best interests of Canada, I am not going to do any more than enter my protest; but if we are going to enter upon the expenditure of millions of dollars on highways we should be informed where the money will be spent, how it will be spent, and how much the expenditure per mile on each of these roads will be.

Mr. CASGRAIN: In the year 1912 or 1913, under the previous administration, the attempt was made to pass a certain highway law, but it was blocked in the Senate, the view of the Opposition at that time being that it was a purely patronage measure, and that the Government would try to use it in order to influence the electorate at the ensuing elections. The present law, which was passed in 1918, is not framed quite along the same lines, but it provides for the granting of subsidies in aid of such highways as the provinces wish to improve. I respectfully submit that if the Government is of opinion the roads in the different provinces need improving, the grants in aid of those roads should not be given in this round-about way, but in the form of an increase of subsidy to the provinces. I submit that by the present policy the Government is simply trying to maintain a hold on the provinces which receive grants and that sooner or later—we may see it sooner rather than later—it will endeavour to influence or direct these governments. I ask what better authority could undertake the improvement of provincial highways than the provincial department organized for that purpose? That is especially true of the province of Quebec where the administration of the Roads De-Department has been characterized by such signal success. I submit that we are departing from the spirit of the constitution when we allow the money of the country to be voted in this way. If the Government wants to increase the grant it should do it in the regular way, that is by increasing the subsidies to the provinces. There is no doubt that the feeling for complete provincial control which was predominant before Confederation and which our forefathers so strongly shared is again becoming prevalent. The premier of the province of Quebec, the Hon. Mr. Taschereau, recently in an address at Montreal protested against the action of the present Federal Government in encroaching upon provincial privileges by dealing with highways, technical education, health and other matters, and I for one would reluctantly see money granted in this way unless it is granted freely and with due regard for the constitutional rights of the provinces.

Mr. CLARK (Red Deer): My hon. friend the minister knows his own business best, but I think he would be well advised to let this item stand over. He has still some information to supply to his own followers. I at any rate would like to clear myself of any suspicion of wanting to hold up the item, least of all should I care to be under the suspicion of holding up the salary of the excellent public servant who is mentioned in connection with the Highway Act. However, I should just like to remind the minister that my hon. friend from Dufferin as well as myself and many others opposed this policy at its inception, and I am not surprised at the story my hon. friend from Dufferin has to tell to-night. He pointed out that the duplicating of the work of the province by the Dominion was sure to lead to trouble; but when wilful ministers will not listen to plain, honest farmers, like my hon. friend from Dufferin and myself, on road-making, they are sure to get into trouble. It is all very well when they want information regarding high Imperial schemes to

go to hon. gentlemen like my hon. friend from Maisonneuve or the right hon. gentleman from King's, but when information is wanted on matters relating to daylight saving or roads or anything else touching the life of the farming community, the minister would do much better to consult plain men like the hon. member for Dufferin and myself. I am glad to know that his experience now bears out his foresight and that he was right when he joined the men who afterwards became members of the Progressive group in resisting this retrograde measure. I have hopes if my hon. friend from Dufferin will only broaden out on the tariff, that he will eventually find himself over here altogether, and I can see in him an excellent recruit for the Progressive party. I do not want to prolong the discussion, but can the minister inform us if there are many returned 9 p.m. soldiers employed under this expenditure? I think that was expected at the time the legislation was enacted.

Hon Mr. REID: In localities that I am familiar with, I know the undertaking did furnish work to a large number of returned men.

Mr. CLARK (Red Deer): I am glad to know that, for it is something good. But as he states that only $20,000,000 has been voted I hope he will be careful on this policy in the future. A speedway has been referred to. There was one speedway my hon. friend from North Cape Breton and Victoria did not tell us about, a certain steep place down to the sea, which was taken by some unfortunate quadrupeds. Well, if the minister and his Government go in for many expenditures of this kind they will find they are constructing a speedway down to the sea.

Mr. COPP: They are on their way.

Mr. FONTAINE: I understand that the ratepayers of Hull and Wakefield have passed a bylaw for a road about fourteen miles in length to be built connecting the two municipalities. Is the Government ready to supply the money for that highway?

Hon. Mr. REID: So far there has been no request from the province of Quebec to spend any of this Dominion money on that particular road.

Mr. BEST: I do not wish to hold up these Estimates, but I think it might be as well to have an understanding now rather than delay later on. I appreciate what the hon. member for Red Deer has stated, but after the example set us in the province of Ontario in extravagant expenditure it would take a very great inducement to get me to go over to the Progressive party; in fact, I would be ashamed to have anything to do with it.

Mr. CLARK (Red Deer): Not the provincial but the federal men.

Mr. BEST: Nor the federal branch. But, Mr. Chairman, this Government is just as much responsible for the money spent on the highways in Ontario as is the Provincial Government. As the hon. member for Peterborough said, we have heard a lot about one driveway along the central part of Ontario. Personally I would appreciate very much if we had one good driveway, and I am in favour of good roads all over the country, provided we get real value for our money. But should the people of Ontario or any other province take his money from the Federal Government and have it all spent in the one place in the province? The Federal Government has the right to see that the money is spent in various parts of the provinces. We have been told that over 500 miles of road have been approved by the Government. That would cover a highway leading east and west or north and south through the province. But where has the money been spent? Over a quarter of a million dollars has been expended along the lake front, where they have far better road accommodation than up through the central part of the province. All I ask the minister to do is to see that the different parts of the province get fair play, and that somebody see that this money is not squandered, for I do say and believe—and I am not the only one—that the people through Ontario are beginning to realize that the biggest part of this money is being spent for political purposes.

Some hon. MEMBERS: Hear, hear.

Mr. BEST: Not that this Government is making anything out of that expenditure. As the hon. member for Red Deer said, I opposed the legislation at the outset. I believe there is too much duplication by the Dominion Government and the Provincial Governments spending money on the same set of works. I believe it should be definitely laid down what the municipality, and the province, and the Dominion are respectively to do, and then let them strictly mind their own business.

I know that this expenditure is doing the Dominion Government a lot of harm because we are blamed for squandering the people's money and not looking after its expenditure. Certainly the officials of the Ontario Government are not attending to their business. I make the statement knowing what I am talking about, and I say to hon. members on this side of the chamber that the farmers in our part of the country are crying out against the great extravagance on roads.

Mr. MURPHY: As a neighbour of my hon. friend from Hull across the river, I should like to supplement what he has said regarding the road from Hull to Wakefield. In reply to the hon. gentleman the Minister of Railways said that no request had yet been received from the Government of Quebec for the construction of this road. According to the newspapers, the municipalities concerned have concluded preliminary agreements and have reached a complete understanding regarding the road to be constructed and the abolition of tolls on the remaining toll roads. Is the request from the Quebec Government the only further step necessary in order to have this work carried out?

Hon. Mr. REID: Yes, it must come from the Quebec Government. We take no action until we get an application from the Provincial Minister of Public Works.

Mr. MURPHY: Upon receipt of that request, the work will proceed?

Hon. Mr. REID: The matter is looked into and considered, as if we see no objection we approve the plans and the work proceeds, the Dominion assuming forty per cent of the cost.

Mr. COPP: It is gratifying to observe that my hon. friends opposite have at last come to realize that the expenditures of the Government are made in a very slipshod and haphazard way. They are beginning to appreciate the facts as we on this side have been stating them for some time, and if they take that attitude in connection with a small item such as that which we are now considering, a matter of $53,000, it is evident that they will take a similar stand when we come to consider items involving large amounts. The member for Dufferin finds much fault with regard to the building of some roads in his constituency; he says the farmers there are on the point of selling their land and moving away. Well, if my hon. friend wants to be honest with himself and honest with his electors he will go back to them immediately after the close of this session and tell them to keep their powder dry until the Government has the courage to go to the country, and advise them, as in effect he advises us, to vote against an Administration which squanders the public money. Now, with regard to this particular item, as I understand it the aid for the building of roads is distributed honestly and equitably among the provinces, each province getting its fair apportionment according to population. As I understand the procedure, it is this: specifications are submitted to the Commissioner of Highways with respect to highways with which the province desires to proceed within a certain length of time; these are considered by the commissioner and his engineers; the kind of road to be constructed is determined upon. Then the provincial government call for tenders, and if these are found to be satisfactory the contract is awarded and the work proceeds, supervision being exercised by Dominion Government engineers in co-operation with provincial engineers, and the cost is borne by the Dominion Government and the provincial government in certain proportions. It seems to me that this item should not stand. The details of the number of roads to be built, the mileage and so on does not matter, because these are the subject of consideration and co-operation between the Dominion and provincial governments. In view of these considerations, I think this item might very well pass.

Mr. STEELE: I should not like the committee to cease discussion of this item after the speech of the hon. member for Westmoreland in which he suggests that members on this side have admitted that the expenditures of this Government are being made in a slipshod way. The only thing wrong with the expenditures made by this Government on roads in Ontario is that they are being made through a very inefficient medium. The money is handed over to the Ontario Government for expenditure. The plans concerning the roads may be all right; the specifications may be very accurate, but unless the money appropriated for these roads is spent wisely, carefully and economically, the whole thing falls to the ground. That is what the people of Ontario are suspicious of to-day; that is what they have doubts about. They are not satisfied that the money spent on roads in Ontario by the Provincial Government and its officials is

being spent wisely, economically and carefully and in the best interests of the people.

Mr. CLARK (Red Deer): Does my hon. friend not think that that sort of thing will arise inevitably from the dual authority? It is the mixing of Dominion and provincial authority which leads to trouble.

Mr. STEELE: I was just going to say that those of us who some years ago approved the original plan of the Government that the expenditure should be made directly by the Federal authority now see that we were not very far astray, and when the Government acceded to the suggestion that that plan be changed and that the money be handed over to the Provincial Governments for expenditure, it is possible that a very great mistake was made. I would just point out to the member for Westmoreland that his friends on that side almost unanimously, I think, supported that method of making the expenditure.

Mr. CAMPBELL: Does this money have to be handed over by the Dominion Government whether the roads are properly constructed or not?

Hon. Mr. REID: The work must be done in accordance with the agreement entered into; the road must be completed and in first-class shape.

Mr. STEELE: When we realize that every dollar of the money is expended by, and every day's work done under the supervision of, the Provincial Government's officers, we see how difficult it is for the Federal Government or the Federal officers to know that every dollar is being wisely spent. I do not agree with what some of my friends over here have said with regard to expenditures on good roads and the inadvisability of building so many roads. I am in favour of good roads throughout Ontario; I do not think we can have too many of them. But I think the minister should impress upon his officials the necessity for seeing that every dollar which is spent on roads in Ontario, by the present Government at least, be spent on what will turn out to be permanent roads. It would be a crime against the people of this country, particularly against the people of Ontario, if millions and tens of millions of dollars are spent during the next few years on roads that will have to be rebuilt in the course of another ten or twelve years. That is what the result has been in connection with the money spent under the county system during the last fifteen years; long before the debentures are paid off the roads have to be rebuilt, and I fear that too much the same system is being followed under this present highway scheme. I have no lack of confidence in the Dominion officials, but I do think they should be very alert and exercise every precaution to see that nothing is put over them by the officials of the Provincial Government; for I can say that there is a very strong suspicion in the minds of a large section of the community, including many who are practical road builders, that the country is not going to receive for this expenditure the value which it should receive.

Mr. CAMPBELL: Whose fault is it that the value is not received?

Mr. STEELE: The fault of the men who are directly responsible for the supervision of the road. They are the officials of the Ontario Government.

Mr. CAMPBELL: Who is directly responsible for handing over the money from the Dominion Government?

Hon. Mr. REID: An agreement is entered into and a road constructed under the direction of the officials of the local government. We have our engineer who inspects the work as it is in progress, and he must or should see that the road is constructed in accordance with the specifications. When that is done, the accounts of the Ontario Government are audited by our special auditors for this work. When the Ontario Government prove and we are satisfied that they have spent a certain amount, after we have examined the work and audited the books, we hand over to the Ontario Government 40 per cent of the expenditure in accordance with the agreement.

Mr. CAMPBELL: Do I understand that money is paid over by the Dominion Government only on the result of a report from the inspector?

Hon. Mr. REID: Yes, our inspector.

Mr. CAMPBELL: From the federal inspector. Then if money is paid over by the Dominion Government for work that is unsatisfactory the responsibility lies with the Dominion Government.

Hon. Mr. REID: The engineers of the local governments must approve expenditures on behalf of their governments; but our engineers see that the work is carried on in accordance with the agreement, and

they must be satisfied that the work has been done in accordance with the agreement and that the expenditure is fair and reasonable. The certificate of the local engineer, confirmed by our engineer, is the certificate upon which we pay the money over to the Ontario Government.

Mr. CAMPBELL: No money is paid out by the minister's department until a satisfactory report is received from his engineers?

Hon. Mr. REID: That is correct. Our auditors audit the accounts and our inspector examines the roads.

Mr. CAMPBELL: If a road turns out to be unsatisfactory, the fault lies with the minister's department in paying out the money.

Mr. STEWART (Hamilton): It is very important that the people of Canada should know this. There may be many hon. members who do not know how roads are constructed. I built many roads in my young days, and there is something going on with these government roads that is certainly very hurtful to the Dominion. I am told that Mr. Biggs and the Ontario Government are building roads in the vicinity of Hamilton out of limestone. A limestone foundation is not so objectionable, but to put on a surface of limestone is merely throwing away money and is of no use whatever. A limestone surface will last, perhaps, a couple of years, whereas if granite or field stone or some other hard metal is put on the surface, twenty years' use might be got out of a road. If they are putting on a limestone covering, it is time that the Dominion Government should put a stop to that, because it is just throwing away money. I should like to know what the roads are being covered with.

Hon. Mr. REID: I understand that they are covering them with some bituminous covering. No road that has been proceeded with up to the present time has yet been completed. I understand a covering is to be put on them next year. They are trying to get a good solid foundation; then they will put gravel over that, and in another year they will put on a covering that should be permanent. Our engineers are endeavouring to watch the construction as best they can. I understand, of course, that there is a great deal of dissatisfaction as regards the location of the roads. Every person would like to have a good road as near as possible, and we cannot blame him for that. We have had to allow the local government to do a great deal of locating of the roads. While, perhaps, some fault may be found with my department for not having the roads located differently, if my information is correct, the Ontario Government are also having trouble as regards location, because they have laid out a programme three times as great as the amount of money available from this source, and I do not see how they can ever proceed with their programme. If they do not, they, as well as we, are likely to have some trouble regarding location of roads.

Mr. STEWART (Hamilton): The answer which I get from the minister is not at all satisfactory to me, because I know for a fact that the roads are being finished with limestone. I want to know what the minister says they are finished with. The two men with the minister know quite well what the roads are covered with. Why not tell us?

Mr. REID: I will say again to the hon. member that he is entitled to the information with regard to that par[illegible]ar road. My officials should have had right here before me to-night a copy of every one of the agreements so that I could pick up an agreement and tell what it calls for, the construction of the road, the kind of road, the total amount and so on; but I have not that information here and it is an absolute impossibility for me to give an answer to-night. For that reason, I have proposed to let the item stand. The next time I shall have all the information and I will not ask that the item pass until every member has the information which he desires.

Mr. CANNON: The minister says: "My officials ought to have had the information to-night." The minister lays the blame on his officials. I wish to remind you, Mr. Chairman, and through you the minister, that this discussion did n[illegible] to-night; it started this afternoon, [illegible] early in the afternoon when this item [illegible] called, I asked the minister for i[illegible] mation regarding several roads. I [illegible] him for information regarding agre[illegible] and at no time during the discussion [illegible] we had this afternoon, did the minis[illegible] offer to let the item stand, nor did he blame his officials for not having the information for which I was asking? To my surprise to-night, when the storm blows, not from this side, but from that side, the minister immediately veers around, lays the blame on officials who cannot answer, and says: "Let the item stand." The attitude taken by the minister is neither fair to the offi-

cials nor fair to the country. If this minister did not have the information this afternoon, he had plenty of time during the recess to secure it, and he should have brought it down to-night. But seeing that a member of the Opposition had asked for that information, the minister did not think fit to bring the information down. Now that his supporters are asking for exactly the same particulars as I was asking for this afternoon, the minister says: "You are perfectly entitled to that information, and as long as you do not get it, the item will not pass." I hope the minister will adopt one standard of fairness and justice to both sides of the House and, in future, when I ask for information, I shall be given the same answer as if that information were requested from his side.

Hon. Mr. REID: I might say that my officials during the recess went over to the department and endeavoured to get all the information they could. They could not get all the information that I wanted during that time. We tried to get the information, but we could not secure it.

Mr. CANNON: Then why did the minister not allow the item to stand at the beginning of the sitting?

Mr. LALOR: When the minister is getting information as to the roads, will he give us some information as to the Hon. Mr. Biggs, Minister of Public Works in the Ontario Government? I cannot vouch for the truth of the statement, but it is said that he has built a road from the highway through his farm right to his own gate. Are we paying for that part of the road?

Mr. STEWART (Hamilton): Yes, we are. It is a Government road.

Item stands.

Governor General's cars: attendance, repairs and alterations, $10,000.

Hon. Mr. REID: This is an annual vote for repairs to these cars, alterations and attendance.

Mr. DENIS: How many cars are there?

Hon. Mr. REID: There were three, but one was destroyed by fire last year.

Mr. CANNON: Last year the vote was $17,000. This year it is $10,000. What is the reason for the reduction?

Hon. Mr. REID: There are only two cars this year, as compared with three last year. Last year we had also to make some extraordinary repairs.

Mr. CANNON: Then if we burn another car this year, we could reduce next year's vote by $7,000 more. Let us try and burn one. Would the minister be good enough to tell the committee where those cars were bought, and at what cost?

Hon. Mr. REID: Two of them were purchased from the Canadian Pacific Railway about ten years ago. They were the cars used at the time the present King was out here.

Mr. JACOBS: We will have spent in the last two years $27,000 on these cars. I fancy they are railway cars, not motor cars, although there is nothing here to indicate which is meant.

Item agreed to.

Loan not exceeding $50,000,000 repayable on demand with interest at the rate of six per cent per annum, payable half-yearly, to be used (where amounts available from net operating earnings may be insufficient) to meet expenditures made or indebtedness incurred at any time by or on behalf of the Canadian Northern Railway Company, the Canadian National Railway Company, or any Company comprised in the Canadian Northern Railway System, or any of them, on any of the following accounts:—(a) operating deficits (b) acquisition of property, materials and supplies, (c) interest on notes, securities or obligations, (d) the principal and interest of maturing or matured loans, secured or unsecured, and (e) construction and betterments; such loan to be secured by mortgage or mortgages upon the undertaking of the Canadian Northern Railway Company or the Canadian National Railway Company on such terms and conditions as the Governor in Council may approve. The loan or assistance herein authorized may be made in cash or by way of guarantee, or partly in cash and partly by guarantee, in the discretion of the Governor in Council. Any guarantee from time to time given under the authority herein may be of the principal and interest of the notes, obligations or securities of the Canadian Northern Railway Company or the Canadian National Railway Company, and may be signed by the Minister of Finance, on behalf of His Majesty, in such form and on such terms and conditions as the Governor in Council may approve, $50,000,000.

Hon. Mr. REID: The details of this expenditure are as follows:

Construction—		
Western Lines Eastern Lines		$ 2,000,000
Betterments—		
Western Lines	$4,234,403	
Eastern Lines	4,123,334	
H. & S. W. Ry.	250,000	
Telegraph	500,454	
Co-ordination, C. N. R., G. T. R.	270,480	
		9,378,671
Canadian National Express Company		112,569
Financial—		
Operating Account	$ 5,000,000	
Fixed Charges	18,074,847	
		23,074,847

Requirements for fuel, ties, etc..	8,360,274	
Equipment principal ..	5,750,000	
Contracts payable.. ..	321,993	
Subsidiary Co. interest.	1,706,030	
		16,138,297
		$50,704,384

We have placed an amount of $50,000,000 to meet that expenditure.

Mr. ARGUE: How much of that construction has been done in the province of Saskatchewan, and where?

Hon. Mr. REID: I will give that information in a moment.

Mr. DENIS: I should like some information about betterments on the eastern lines of the Canadian National railways, particularly between Montreal and Quebec, passing through Joliette.

Hon. Mr. REID: On the Canadian Northern, eastern line, Bury deviation, $272,302, and on the Yamachiche river, grade reduction and bridge strengthening, $102,900. Then we have St. Paulin deviation, $249,348; St. Ursule deviation, $236,050; coaling plant, Garneau junction, $30,000; terminal improvements at Joliette, $30,000.

Mr. DENIS: I am particularly interested in the bridge at Joliette and St. Elizabeth.

Hon. Mr. REID: The terminal improvements at Joliette amount to $30,000.

Mr. DENIS: I am referring to the bridge on Assomption river on which work is being done at the present time.

Hon. Mr. REID: The total expenditure for the Quebec district is $1,426,900.

Mr. DENIS: At the present time Fletcher and Company are building a bridge at Joliette on the Canadian Northern line and another bridge at St. Elizabeth, nine miles below Joliette, on the same line, and that work has been going on for over a year.

Hon. Mr. REID: I think the bridge my hon. friend refers to is on the Transcontinental.

Mr. DENIS: No, on the Canadian Northern, between Montreal and Quebec.

Hon. Mr. REID: I have not any item for that.

Mr. DENIS: Is there not some work going on, on account of the deviation, between Montreal and Quebec? Anybody could see work was being done there last summer and fall.

Hon. Mr. REID: It may be included in the amount of $272,302, which is for the Bury deviation. There is also the St. Ursule deviation for which there is an amount of $236,050.

Mr. CANNON: That is a divergence.

Hon. Mr. REID: And there is another for $249,248. What my hon. friend refers to may be included in one of these large amounts.

Mr. DENIS: There is a bridge being built at Joliette now, and towards the end of March it was partly destroyed. Trains of the Canadian Northern could not move between Montreal and Quebec for two or three days owing to the partial destruction of that bridge. The contractors for the work are W. M. Fletcher and Company, and the minister must know something about it.

Hon. Mr. REID: That is charged to operation, and is not voted by Parliament. It will come under the total results of earnings and expenses of the Canadian National Railways.

Mr. DENIS: This vote of $50,000,000 is for construction and betterments. Where are we to draw the line? Does not the re-building of a bridge come under the item of construction and betterments? If the minister tells me that the bridge which is now being built in Joliette does not come under this item, I will, of course, take his word.

Hon. Mr. REID: If the work is merely the renewing of the bridge, and putting it in the same condition as it was before, it would be charged to operation. If it is a larger or more costly bridge, it will come under the heading of betterments. Evidently the bridge to which my hon. friend refers comes under operation. Now, I desire to answer a question in regard to Saskatchewan. We are trying to put rails on where any grade has already been constructed or is under contract. In Saskatchewan work is being done at the following places: Peebles-Lampman; Thunder Hill Branch-Melfort northwest; Melfort-Humboldt; Prince Albert northeast-Swift Current.

Mr. CAMPBELL: What is being done on these roads this year?

Hon. Mr. REID: Grading has been done and it is the intention to put rails on as many as we can. On Prince Albert-Swift Current, there is a stretch of 10.07 miles of rails to be laid to a place called Neidpath. Then there is Luck Lake, and Alsask southeast.

Mr. CAMPBELL: Perhaps the minister could save time if he would give the details of the work that is to be done on these roads?

Hon. Mr. REID: On the Thunder Hill branch there are thirty miles yet to be done; Melford to Humboldt, fifty-four miles yet to be done; Swift Current, to finish to mile 109, thirty-five miles to be done; Luck Lake, twenty-eight miles to finish.

Mr. KNOX: There is some mistake about the line to Humboldt. That is already finished except the ballasting.

Hon. Mr. REID Yes, fifty-four miles to ballast. I have here another statement, with respect to Saskatchewan which I think is the correct one:

From Peebles to Lampman when present contracts complete grade will be to mile twenty. No track has been laid on this twenty miles.

Thunder Hill Branch—

Mr. DAVIS: Is it not the intention to lay the rails on that?

Hon. Mr. REID: I will give that information when I mention each line:

Thunder Hill Branch. Starting point of branch mileage Thunder Hill Junction. When present contracts complete, grade will be to mile 118. The track as of December 31, 1920 was at mile 100. That will leave 17 miles yet to put rails on and to complete it to Thunder Hill Junction.

Melfort northeast. When present contracts complete grade will be to mile 30. There are no rails laid.

Melfort to Humboldt. Starting point Melfort. When present contracts complete grade will be to mile 54. There is no track on that.

Prince Albert north east. When present tracks complete grade will be to mile 20. No track on that.

Swift Current Extension. When present contracts complete grade will be to mile 120. Track as on December 31, 1920 was at mile 109. When present contracts complete there will be 10 miles and 4-10 of a mile to lay on that.

Luck Lake Line to Dunblane 35 miles. When present contracts complete grade will be to mile 35. The track on this laid to 19.7. There are still 15 miles to grade.

Alsask, south east, starting at Elrose Junction 148 miles when the grade contracts are completed. There are 148 miles of track on that road.

Eston south east, starting at Eston. When the contracts for grade are completed there will be 35 miles graded. No track has been laid on it.

Turtleford to Meeting Lake, starting at Turtleford, 23 miles of grading when the present contracts are complete. No rail has been laid on that.

Jack Fish Lake starting at North Battleford, 83 miles. When the present contracts for grade complete grade will be to mile 83. There have been 64 miles of rail laid on that road leaving 18.3 to be constructed.

Acadia Valley starting at Eyre. When the present grade contracts are complete 12 miles will be ready for track. No rails have been laid on that.

I may say that we made a contract for some new rails a week ago, and it is our intention to place these new rails on the main lines. The rails we take up will be placed on the branch lines such as I have mentioned, as far as those rails will go, and to the extent we are able to lay during the present year.

Mr. CAMPBELL: What kind of rails are these and what price was paid for them?

Hon. Mr. REID: The new rails that we purchased are 85 pound rails and we paid $55 per gross ton for them—that is the contract we have made for rails. I am sorry that we were not able to make such a price much earlier. Had we done so we would doubtless have been able to lay many more rails than we will probably be able to do on account of the delay.

Mr. TURGEON: Before this amount of $50,000,000 is voted I should like, if I may, to make a few remarks on the general railway situation which confronts us to-day. The statements and reports which we have received in regard to our railways, have certainly aroused a feeling of disquiet in the minds of the people, and from one end of Canada to the other every one is asking himself what is going to be the outcome of the present situation. To many persons that situation seems appalling, and the dictum that the railways are the safeguard of the nation has, in the minds of a great many people, been changed to a fear that they may become the nation's ruin. To-day the people of Canada as a whole are interested in what is to be done, not in order to immediately remedy the situation, for that is scarcely possible, but by judicious measures to put an end to the present waste of money which every one deplores and, I am sure, none more heartily than the Minister of Railways himself.

An hon. MEMBER: He bears it cheerfully.

Mr. TURGEON: I do not claim to be an authority on railway matters; I am merely accepting the sincere and generous

invitation of the Minister of Railways himself when, on March 17 last, in making his annual railway statement, he invited every member of the House to come forward with any suggestions of a reasonable character in the hope of bettering the existing state of affairs. Notwithstanding my limitations in connection with this matter, of which, I am only too sensible, the Minister of Railways will admit that during the twenty-one years I have sat in this House I have at least endeavoured to give some consideration to railway matters and in particular to the construction of branch lines. I am sure the minister will not forget my efforts in connection with the branch lines.

We have two large corporations that are to-day owning and operating the railways of Canada. On the one hand there is the great Canadian Pacific Railway Company with a world-wide reputation for the efficient administration of railways and ocean steamships. On the other hand we have the board that is administering the Canadian National railways, young as yet but following a policy which certainly has not created any confidence in the personnel of that corporation. As one who has always entertained some confidence in the policy of the Dominion Government owning and controlling at least a certain mileage of Canadian railways I had hoped for better results. The Government's railway policy, at the inception of Confederation, was rather conceived from the standpoint of competing against the owners of privately-owned railways in order that the people should not be burdened by oppressive freight rates and other charges, and in order to establish fair and reasonable rates—rates which would allow of that commercial expansion which is necessary if this young country is to develop to the extent which we believe is her destiny. For it is undoubtedly true that we must look to our railways to lay the real foundation of our future happiness and prosperity so strongly desired by every true Canadian.

During last session I warned the Minister of Railways more than once not to apply to the Railway Commission for an increase of freight rates, because I considered that any further increase would certainly hamper the development of our industries all over the country. My predictions have come true, in fact, they are confirmed by the statement which the minister himself made to the House quite recently, when he declared as follows:

> Our railways were built to develop our natural resources, to build up our country, and to connect the East with the West in interprovincial trade. Good work has been done and it must not stop. Let me give you one or two illustrations of what high freight rates are doing. We in the province of Ontario have for many years required, in fact used, lumber and timber grown and manufactured in the province of British Columbia. To-day this trade is absolutely cut off owing to high freight rates, thus injuring British Columbia, and Ontario and our country as a whole. British Columbia requires the markets of the western provinces and even the eastern provinces for their products. It is impossible for British Columbia to grow and ship fruit and lumber at the present high rates of freight. The Prairie Provinces must live from the products of the soil. They cannot produce wheat and other products of their farms and ship it to foreign markets if these high freight rates are to continue indefinitely, and vice versa, things that are manufactured in the East that the people of the prairie and British Columbia require, cannot be produced and shipped to the western provinces if these high rates of freight are to continue.

That, Mr. Chairman, bears out my warning of more than a year ago against the imposition of increased freight rates. I then advised the minister to urge the members of the Railway Commission to find other ways of relieving the railways, for instance, by effecting greater economies of administration. I also cited the suggestion put forward by the hon. member for Quebec East, who I regret is not here to-night, that a representative of the workingmen should be represented on the board of management of the national railways, as he would be able to secure greater labour efficiency. We have heard a good deal of complaint about the high wages paid to railway men, but I do not wish to complain of their being too high, and I am willing to believe that the cases which have been instanced of very high rates of pay are merely accidental and do not represent the average rates, and certainly I feel that the men on our Government roads as a whole are as honest and efficient as their brothers on the private-owned roads. The president of the Canadian Pacific Railway Company only a few days ago at the annual meeting in Montreal offered his thanks to the officials and men of the road who, he said, had given the best service possible. I trust before another year is over the directors of our national railways will be able to voice a similar appreciation of their own staff.

10 p.m.

Certainly increased freight rates have contributed to the present depression and unemployment. It is said that these increased rates were necessary to offset the higher wage scales under the McAdoo award, but I make this statement, Mr. Chairman, that the increase in freight

rates has not contributed at all to bettering the condition of the railways, simply because of the diminished amount of traffic offered to the roads in consequence. The lumber trade of the Maritime Provinces has been paralyzed, and our yards are full of lumber awaiting water transportation, which means that all that traffic has been lost to the railroads. The delay in transportation has also caused a great loss to the Maritime Provinces, for operations have had to be curtailed, business has slackened, railway traffic has decreased, and in consequence there has been less work to do and a growing volume of unemployment. The same condition of affairs is prevalent in the West, as is borne out by the statement of the Minister of Railways which I have just quoted. And business in central Canada has suffered proportionately. Therefore traffic has been lost to the railroads which would have amply covered the increase in wages.

We have to look to the future to see what can be done to effect an improvement, and if I can only make one suggestion which will be of value I shall consider it my duty as a representative in this Parliament to make it, not only in the interest of my constituents but in the interest of the country as a whole, for the local interest in the aggregate constitute the national interest. It is the business of the railroads not only to carry the traffic that arises in different parts of the country, but also to assist in the development of our natural resources and to make the widest possible distribution of all the products of those resources. Only by the most thorough distribution of our products and commodities east and west and north and south can trade be developed and the railroads be put in a position to earn enough to pay operating expenses. I am not alone in contending that freight rates should be reduced. This question is one which is uppermost in the minds of the people of the United States, particularly in the minds of leaders in the agricultural world. While there are differences of opinion as to the best methods of making their railroads prosperous in the future, they are of one mind when it comes to the matter of freight rates, declaring that a reduction of rates would bring about greater production and therefore more trade for the railroads. They are appealing to the President of the United States to consult with representatives of capital and of labour with a view to ascertaining the best means of bringing about a decrease in rates in order that there may be more transportation of all products available in the United States. Only a few days ago the Legislature of New Brunswick adopted unanimously a resolution moved by the premier of the province, seconded by Mr. Baxter, leader of the Conservative party in the Legislature and supported by Mr. Fawcett, leader of the Farmer's party, complaining about the present rates and asking that the Government of the day take the necessary action through the Board of Railway Commissioners to bring about such a reduction in those rates as will enable the industries of the Maritime Provinces to send their products to the western portions of Canada.

There is one particular feature of this problem which has always occupied my mind and which I have discussed on more than one occasion in this House. I may be permitted to point out the difference between the present position of the Intercolonial Railway and that which it occupied before the Canadian National railways were instituted as a system and placed under a Board of Management. It has frequently been stated, not only in the press, but occasionally by members of this House —I even hear it said occasionally by some of our old compatriots in the province of Quebec—that the Intercolonial has been a burden upon the rest of Canada. Permit me to say, Mr. Speaker, that had it not been for the Intercolonial railway the Maritime Provinces would not have become part of the Confederation, and that without the advantage of the Maritime Provinces, particularly the advantage of their open ports, Ontario would have remained the back door of the United States. The people of the Maritime Provinces have given impetus to the trade of the country through the advantages conferred by their open ports —ports placed there, as I have often said in this House, by the hand of Providence, not merely for the benefit of the Maritime Provinces themselves, but for the benefit and advantage of the whole Dominion for all time. And how can it be said that the Intercolonial has been a burden to the rest of Canada? In the first place, it has been a barrier against the high rates which most of the railways in Ontario and Quebec would impose; it has been in a position to keep the rates down to a certain level. Moreover, Ontario and Quebec have benefited by the trade of the Maritime Provinces the greater part of which before Confederation, went to the United States by water routes. Every day for fifty years trains have been filled with their products

—with their farm implements, their waggons, their trucks, their flour and so on, all of which have been carried at much cheaper rates than those applicable to transportation to other parts of the country. And what have they had to pay for that service? What has been the cost of the prosperity which has thus been brought about? Until two years ago, a deficit each year in operation of a few hundred thousand dollars.

To show that the Intercolonial has not, after all, been such a burden as people are apt to think, I wish to quote the statement of no less an authority than the present Minister of Finance (Sir Henry Drayton) as contained in the Drayton-Acworth report of 1917—a report which has commanded the respect and attention of the people of Canada. It has commanded also my respect and attention, although there are a few things in it with which I do not agree, particularly the suggestion as to the advantage of the Grand Trunk railway coming into the hands of Canada. However, I wish to give this quotation; I am sorry the Minister of Finance is not in his seat.

Mr. McMASTER: He is worried about his budget.

Mr. TURGEON: I suppose his budget is a matter of more importance just now than the few remarks of the back-bencher from Gloucester. Here is what the Drayton-Acworth report has to say with regard to total deficits on the Intercolonial during the twenty-eight years prior to the year in which this report was made:

> Whatever question there may be as to the propriety of endeavouring to earn interest on capital, it will hardly be questioned that the line ought to be so managed as at least to earn operating expenses, including therein a proper allowance for taxes. And even ignoring the early history of the undertaking, and considering merely the years from 1889-1916, during which the greatest advance has taken place in Canada and the traffic of Canadian railways has shown the greatest increase, the Intercolonial has paid no taxes and still not earned operating expenses. During this period the total operating deficits reported amounted to $11,188,885.50. The total operating surpluses amounted to $1,651,239.73. In addition, however, there was in the years 1912-16 an amount of $3,046,406.86 charged to working expenses and devoted to renewals, which under the accounting methods in force before that date would have been credited to surplus. Adding together these two latter figures, and deducting them from the deficit, we find that in the 28 years from 1889-1916 there was an accumulated deficit on operation of $6,491,-232.91.

A deficit of $6,491,000 on the Intercolonial at the expense, I will admit, of the whole people of Canada, during 28 years, means a deficit of between three and four hundred thousand dollars a year. If the new Board of Management had been able to operate, at the same rate of deficit, the railroads which are under their control to-day, and which have about eight times the mileage of the railroad operated during those 28 years by the governments of the country, they would have come before the people of Canada in the last few years with a deficit of some two or three million dollars a year. If they had done so, every Canadian would take off his hat to the board and say: "Go ahead; we have a prosperous country." The present situation, therefore, shows that there is something wrong with the administration. Moreover, as I stated last year, before this Board of Management took over the Intercolonial, it had a deficit of a million dollars some years, a million and a-half one year and a surplus another year; whereas, last year under the commission, there was a deficit of $4,500,000 for the Intercolonial alone, not counting the different branches that have been taken over, and this year there is a deficit of $6,500,000. My hon. friend is one who brought in a surplus during his administration and his late respected predecessor also brought in a surplus. I judge of the immense deficit on the Canadian National railways by the accrued deficit on the Intercolonial. If the Board of Management had operated the National railways at the same rate of deficit as that of the Intercolonial during that twenty-eight-year period, we would say: the Board of Management had done well. We would encourage them to continue and to bring prosperity to the country; but the deficits during the last few years have been increasing by leaps and bounds, so that there must be something wrong with the administration. The Minister of Railways must devise some means by which these deficits will be stopped, and if not changed into surpluses, at least brought to a condition which will give renewed hope to the peopele of Canada.

I am presenting these observations to the committee, and especially to the Minister of Railways and Canals, I am not actuated by any desire to make, as he said, a political football of the road. We must, however, consider the policy of the Government in the light of the railways that we have to-day. Until two or three years ago, it was the habit of hon. members on the Government side to deplore the deficits

on the Intercolonial and to oppose the idea of Government ownership, control and operation of railroads in this country. Some fifteen years ago, when I and others in the Maritime Provinces, asked for subsidies for the national railways of the Maritime Provinces, we were met by a condemnation of Government operated railroads on the part of hon. members opposite. But they have suddenly become strong supporters of Government operation. It was only when circumstances compelled them to reverse their attitude that they favoured Government ownership of railways. I remain consistent and persistent, as I have been during my life. The Minister of Railways and Canals knows my persistence and perseverance, my only virtue, and he knows that they have at times enabled me to reach my objective. I wish I could by persistence, impress my view upon the mind of the minister so that he could, in turn, impress it upon the mind of the Board of Management and induce them to reverse their policy and if necessary, to reverse the policy of the Conservative party as regards railways in times past because I believe—and these few remarks which I am going to make on the railway situation are inspired by honesty of purpose and vision—that if the policy of Sir Wilfrid Laurier in the building of this Transcontinental railway from Winnipeg to Quebec and the Maritime ports of St. John and Halifax had been put into effect with the view which he had in mind, we would not be confronted to-day with one-half the deficit that we have. That road was constructed with a view to a certain trade and more particularly to secure that cheapness of operation which is necessary in order that the products of the West may be brought over Canadian lines to Canadian ports instead of being diverted to American ports. My convinction—and I speak my conviction and nothing else—is that had that policy been carried out, we would not be in the situation in which we are. The West was at that time the great promise of the future of Canada, and we had to prepare for the shipment of its products. The West was that part of Canada which alone could become the granary of the world, more particularly of the British Empire, because the Prairie Provinces alone could produce the grain requirements not only of Canada and the British Empire, but of the world, as was proved during the last few years, more particularly during the war. It is, therefore, important that we should keep within our own channels, not only the export of the grain from the Prairie Provinces through Quebec, St. John and Halifax, but the return trade, both of which have gone during the last few years to American ports on account of lack of proper railway facilities for the traffic. It was to provide those facilities that the railway from Winnipeg to the Maritime Provinces was constructed. That route is 215 miles shorter than any other route. That means rapidity of transit and quicker returns for the farmer. The line has also the advantage of low insurance. This road would have been the best, not only in America, but in the world, if it had been used for the purposes for which it was intended of bringing the products of the West by rail down to the East. A train of from 60 to 75 cars could have been hauled from Winnipeg to Quebec with scarcely a stop. We all know how railroads lose time in the winter, and how they spend almost as much time at stations as in running between them. If these products had been brought from the West over the Government road it would have meant an immense saving of coal. By the time the Canadian Pacific train leaving Winnipeg has arrived at Port Arthur, the Transcontinental has reached Armstrong; by the time the grain has been transferred from the Canadian Pacific to the ship and is on its way across the lakes the Transcontinental has reached Quebec, and its load of grain is going down the St. Lawrence before the lake boat has reached Buffalo. That illustrates how much faster a route the Transcontinental is. It is a well known fact that grain should have been carried over the Transcontinental from Winnipeg to Quebec for six cents a bushel without there being any deficit on the railway. To-day, under present conditions, it can be carried for 18 cents a bushel, which is still from 6 to 8 cents a bushel cheaper than the rate to United States ports, but this trade has been lost to the country in the last four or five years. Every time we on this side of the House mention railway deficits, hon. gentlemen opposite condemn us for the construction of the Transcontinental. It is only a few days ago that I heard with regret the hon. member for Brantford (Mr. Cockshutt), a gentleman for whom I have the highest respect, say that the Transcontinental traversed a wilderness, that we had been promised mountains of information, but that nothing in that direction was to be had. I would ask him if he has travelled through that portion of the country from Winnipeg to

Quebec. If he has, he must have seen living mountains of information in the persons of hundreds of thousands of settlers along that route, cultivating the forests and working in the pulp and paper mills, notwithstanding all the handicaps under which they are placed. I believe that any man who knows anything about railways, notwithstanding any prejudices he may have had at first, if he will only sit down and study the matter for a while, will admit that we have suffered a tremendous loss by not taking advantage of this route from the first. The Prime Minister takes pleasure in calling it the ill-fated Transcontinmental. That wounds my feelings, but that perhaps is not of much moment to him; more than that, it arouses the ire of great corporations in this country, more particularly in the East. The farmers of the west have lost from 5 to 8 cents a bushel on their wheat on account of the Government's policy in connection with this road. My hon. and beloved friend from Brantford (Mr. Cockshutt), has come in since I started to speak, and in justice to him I want to repeat what I have said. No man has a greater respect for him than myself. My hon. friend some time ago referred to the Transcontinental railway built between Quebec and Winnipeg, and in the course of his remarks, in reference to the question of the Government submitting information to the House touching the railways of the country, he said that when that project was under consideration the late leader of the Liberal party, Sir Wilfrid Laurier, had promised mountains of information, and had declared that this railway would be a great benefit to the country. I would ask him now if he has visited that portion of the country from Winnipeg to Quebec since the railway has been in operation? I receive no answer, and I presume my hon. friend has not done so.

Mr. COCKSHUTT: I have travelled over a good portion of that road twice.

Mr. TURGEON: I dare say, between Cochrane and Winnipeg, but not between Cochrane and Quebec. If the hon. member travelled between Winnipeg and Quebec I can assure him he would see the mountains of information of which he spoke, in the shape of thousands of live settlers who have erected lumber mills and pulp mills and engaged in other activities, thus creating a trade the benefit of which is lost to the farmers of the West because of the lack of proper transportation facilities. I have spoken of the quantity of wheat shipped to the United States, and I think that the more sold in that country the better for us. The United States market we tried to get, and it is no fault of the late Sir Wilfrid Laurier that reciprocity was defeated in 1911. If that agreement had been entered into, the people of the West would to-day have been happy. It was my privilege, through the generous invitation of my admirable leader, to address some meetings in Saskatchewan last fall, and I remember there making the statement that had reciprocity been the fortune of Canada in 1911, there would have been no need to-day of a Farmers' party, because the farmers would have been prosperous and quite content. Recently it was my pleasure to read in the newspapers a report of certain utterances of the leader of the Agrarian or Progressive party, the hon. member for Maquette (Mr. Crerar), in which he stated the same thing. He said that had reciprocity been carried into effect there would have been no need for a Farmers' party in Canada at the present time because the farmers would have prospered. I was very much pleased to note that sentiment on the part of the hon. member.

The minister will, no doubt, recall that when we were considering the taking over of the Grand Trunk two years ago I warned the House that the products of the West, particularly grain, would not find their way to St. John or Halifax but would go to Portland. My hon. friend promised me at the time—I had no reason to doubt his word, and he would probably have carried out his promise had he not been prevented—that he would take steps to see that this would not occur. I warned the minister that if we did not take steps to prevent the diversion of our products from the port of St. John to Portland, he would find himself faced with a situation which it would be exceedingly difficult to overcome. I regret the new minister for New Brunswick, the Minister of Customs (Mr. Wigmore), is not here. Complaint was made in the city of St. John, in the month of February, that no grain was coming through the port of St. John, but was going to Portland. A delegation waited upon the minister, and certain questions were also addressed to the head of the Board of National Railways. Mr. Hanna replied that he had not so far sent any grain to St. John, nor had he sent any to Portland. He added

however, that it was his intention to send some to St. John as soon as possible but that perhaps the Grand Trunk had been taking grain. On inquiry it turned out that the Grand Trunk had been taking grain from Montreal to Portland. Now, if that is to continue, and grain is to go through American routes, then I say to my hon. friend the Minister of Customs, that the people of St. John might as well have no harbour at all. It is not only money for their harbour that the people there require; they need trade as well, and as we know, only about 24 per cent of the grain trade last year moved through Canadian ports.

Mr. McMASTER: The Minister of Railways is shaking his head; you had better prove your statement.

Mr. TURGEON: He knows I am correct. Only 24 per cent during the past six months has gone through Canadian ports; the rest has gone through American ports.

Hon. Mr. REID: The very opposite is the case; the figures should be reversed.

Mr. TURGEON: I have not under my hand at this moment the figures to establish my statement, but it is well known that from twenty-four to thirty per cent of the grain trade of the West has gone to Canadian ports, and of that thirty per cent at least eighty-five or ninety per cent is controlled by the Canadian Pasific Railway Company, leaving very little available for the Canadian National Railway. It is in the hope that provision may be made for the future that I am now impressing upon the committee and the Minister of Railways the existing conditions in this country. As I say we have lost the export trade and we have lost the imports which the control of that trade would have meant for the West. The Transcontinental and Grand Trunk Pacific was especially designed to haul heavier trains than the other railways could haul—they are railways designed to carry as much as 10,000 bushels of grain in less time at a lower rate than other railways could do. Special transportation facilities are required for the carriage of wheat owing to the small profit which the farmer is necessarily bound to get; with such a long haul, and that factor in the future is bound to be of much greater importance than it has been in the past. It is quite true that owing to the war the grain products of the West for a few years commanded a high price; but when things return to normal state the farmers of the West will inevitably suffer unless we can cheapen the cost of transportation for them, and the heavy cost of carrying the wheat will swallow up, or greatly reduce, the small margin of profit likely to come to them. If the situation is not seriously considered and a remedy provided the farmers of the West are bound to encounter hardships in the future, and it would be indeed an evil day if our western wheat should ever come to lose its commanding place in the markets of the world. The price of wheat is fixed in Liverpool and the cost of the long rail haul in Canada should be reduced in every way possible. The profits or losses incurred by our western farmers depend to a great extent upon whether the cost of transporattion has been brought down to the lowest possible point. In the case of a train load of silk, intended for the large centres of the East, which our railroads carry from the Pacific and which is perhaps worth millions of dollars, an enhanced freight rate may not be a very serious thing; but the addition of a cent or two to the cost of carrying wheat, and other farm products, may mean all the difference between profit and loss.

In the matter of ocean insurance the improvements in the St. Lawrence have made that route absolutely safe and today there is no greater danger of accident on the St. Lawrence than there is on the ocean itself. That is as regards summer navigation. If we take winter navigation the ports of St. John and of Halifax also provide safe routes, and there is no reason why a higher rate of insurance should be charged on vessels sailing from these ports than in the case of ships sailing from Boston or Portland. Our summer and winter ports are therefore in a good position to handle the export trade coming from the West, and excessive ocean insurance rates should not be demanded.

The National Transcontinental railway was built with the idea not only of carrying eastward and westward bound freights, but of providing a fast passenger and mail service. We have lost this trade also. It has gone mostly to the United States ports; the balance has been captured by the Canadian Pacific Railway Company. On the Canadian National Railway passengers and mail could have been carried from our ocean ports to Winnipeg twenty-four hours quicker than by any other route. Yet this business has been lost to us. No wonder the Canadian National railway

does not pay. It is certainly, in large measure, owing to these losses that the couutry is to-day faced with the present railway situation. Not only has there been a failure to use the Transcontinental railway between Winnipeg and Quebec, but the operations of the Grand Trunk Pacific west of Winnipeg have largely been strangled by allowing Mackenzie and Mann to build parallel lines all the way to the Pacific. This policy resulted in the downfall of Mackenzie and Mann, to say nothing of a provincial administration in British Columbia, but because of it we to-day hear the story of deficits and of insufficient traffic on the Government lines.

This is a very serious problem, and, as I said at the outset, I am not making these remarks for any political effect. What I am saying will not bring me a single extra vote in Gloucester. Last fall the Prime Minister when he came down to Nova Scotia called us Bolshevists and Communists, and as I had been talking very strongly in favour of free trade I considered I was in that category, and was rather surprised. As a matter of fact I am called the "peacemaker" in Gloucester and I have succeeded so well in that role that you could not find to-day ten Conservatives in my county. But I do say from the bottom of my heart, and in the hope that it may have a salutary effect on the Board of Management, that those gentlemen must understand that the people expect an improvement or else that the Board will demobilize themselves, Each year the deficit grows bigger, and I can derive no hope of any improvement in the immediate future from their utterances. For instance, I read in the Ottawa Journal a few days ago that Mr. Hanna had stated before the committee which is inquiring into our national railways and merchant marine that freight rates should not be disturbed. That to my mind is a hopeless outlook. We talk of the success of the Canadian Pacific, but the men in control from Lord Shaughnessy and Mr. Beattie downwards are human beings, and surely other human beings ought to be found capable of administering our national railways with an equal measure of success. We cannot dispose of these railways with any advantage to the country. We have the Grand Trunk Pacific, for instance, which cost the country three times per mile more than the Transcontinental cost. The latter is the cheapest road Canada possesses to-day. It has cost $180,000,000, but it must be remembered that it has cost no more. But let us consider what the Canadian Pacific has cost the people of Canada. According to the reports of that company $70,000,000 yet remains to be paid on the lands they have sold, notwithstanding the millions of dollars they have collected every year from land sales, and in addition they value the balance of the land they received from the Canadian people at $91,000,000. There is over $160,000,000 which the Canadian Pacific has cost this country, and if we had placed the same quantity of land to the credit of the Transcontinental the land itself would have paid for its construction, as we have paid practically for the construction of the Canadian Pacific.

If I may be permitted to refer to the offer made by Lord Shaughnessy to the Government in connection with our railway problem, I would say that although I have the greatest respect for him, neither he nor any other man can make an offer today that will relieve the situation. If the Canadian Pacific railway and our national railways were operated as one complete system we could no longer control the rates which the management might find necessary to secure sufficient revenue to pay dividends. But I am heartily in accord with that part of Lord Shaughnessy's memorandum in which he states:

> Even at this advanced stage it would be wise for the Dominion Government to drop all measures looking to the acquisition or control of the Grand Grunk, to relieve that Company of all obligations in connection with the Grand Trunk Pacific and to grant easy terms covering a period of years for the repayment of any amounts advanced by the Government to the Grand Trunk or secured on the credit of the Government in the last two years.

It is practically the same proposal as I myself made in 1919 when speaking on the Grand Trunk Bill. I agree with Lord Shaughnessy to that extent, but I cannot agree with him when he says that the Transcontinental railway has cost too much money. I would not assume to oppose my judgment to that of Lord Shaughnessy but I would give the opinion of no less an authority than the late Sir Sandford Fleming, one of the greatest engineers that Canada—indeed, the British Empire—ever possessed. Sir Sandford Fleming points out that a railroad should be built with the idea of permanence so that it will not have to be reconstructed every twenty or thirty years. Sir Wilfrid Laurier and his Government saw to it that the Transcontinental was constructed of the very best material; that the very highest degree of perfection was attained in order that

traffic could be moved with the greatest possible speed and at the least possible cost. I quote from the historical sketch of the Intercolonial, 1832 to 1876, written by Sir Sandford Fleming, page 110:

> No portion of railway work is more important than its bridges. When a line is carried out by private effort, a circumscribed capital may compel the adoption of cheap structures. In such cases it is not the character of the structure, or its economy, which commends itself; but it is the necessity of the case, which limits its cost.
>
> A railway constructed to meet a national requirement, and situated like the Intercolonial, is controlled by no such limitation. It requires no argument to establish that in such circumstances all structures should be of the best form suggested by experience, and that the most durable material should be used. They are then permanently built, and require no subsequent renewal. The first expense is the one cost and in the end, the durable structure is by far the least costly.

This is the opinion of that eminent engineer who served Canada so faithfully and well for many years. When later on he was connected with the construction of the Canadian Pacific he was forced by circumstances to accept bridges of a less durable structure than those which he here recommends, but those have since had to be rebuilt. During the last twenty years the Grand Trunk Pacific has practically rebuilt its road, while the Transcontinental is there for years to come, with its small cost of maintenance per mile compared with that of other roads.

I hope, Mr. Chairman, that the committee will bear with me in my expression of opinion with regard to these matters. Only by discussion and suggestion can we hope to arrive at a solution of our difficulties in connection with the railway situation. Of course, it would require a mind greater than mine, minds even greater than those of many others who have considered the matter, to find the right solution for the problem. But if in the few suggestions which I have made I have been of some assistance to the Minister of Railways, my remarks shall not have been in vain. I feel sure, Mr. Chairman, that hon. gentlemen opposite who have had the patience to listen to me know that what I say is right. It is hard to admit a false policy, but we all at times have had to admit error. Let my hon. friends, therefore, admit that they have been in the wrong, and go ahead and do something. Let us take such steps as will result in affording us the cheapest possible means of transportation consistent with rapidity and efficiency, so that our people will be able to command a market for all that they produce.

Some attempt has been made, on the ground of lack of cheaper transport facilities, to export grain from Alberta through the Panama canal. One ship, I understand, was loaded last fall and proceeded via the west coast and through the Panama canal to Europe. It was estimated at that time that the farmers who were shipping via that route would save three cents a bushel on the cost of transportation. When the Board of Railway Commissioners last September were in a hurry to raise the freight rates forty per cent, they thought they would help the farmers in connection with the shipment of their grain to the seaports of Canada, but the effect was that the grain went through United States ports. But now the farmers are endeavouring to find a remedy for themselves by shipping through the Panama canal. The Panama canal has certain advantages; it may be of advantage to British Columbia in the export of her lumber, coal and other products, but it cannot possibly rival transportation over Canadian railways through Canadian ports. When the western farmers' grain reaches the Panama canal, it will have to meet competition from Buenos Ayres and Argentine ports. Wheat produced in the Argentine Republic can reach the Panama canal at very little cost, at a cost not to be compared with that of transporting wheat produced in Alberta to the Pacific coast. Therefore, the farmers of Alberta will not be able to compete with the farmers of Argentina. Moreover, shipment via the Panama canal will be a slow process so that the wheat could not reach the market at the desired time, and rapidity of transit is a great consideration in the shipment of wheat. Therefore, the only really possible route for the transportation of the products of the West is from Winnipeg to Quebec in summer and to St. John or Halifax in winter.

If I have not been able to interest the committee as I should have liked, I have taken part in this debate in the exercise of my duty as the representative of the people of my constituency, and in the hope that others will have the same courage and will offer suggestions. Had it not been for the invitation of the minister to any member, who so desired, to make suggestions in honesty of purpose I would not have taken that liberty. I thank you, Mr. Chairman and the committee for extending the privilege that you have given

to me. My observations and suggestions have been given in the spirit of a true Canadian.

The CHAIRMAN: Before the hon. member rises to speak, I must remind the committee of the ruling given when this resolution was called this afternoon. The Chairman suggested that all of these items be taken together by unanimous consent in order that all hon. members could discuss fully all matters pertaining to railways. This suggestion was not accepted. The hon. member who has just taken his seat (Mr. Turgeon) was not in the committee at the time, and for that reason he was not interrupted. I must, however, point out to hon. members that all questions relating to the Grand Trunk Pacific railway, the National Transcontinental railway and the Canadian Government railways are not in order under this item. The motion was made that the items be considered separately, and it becomes the duty of the Chairman to prevent a repetition of the same arguments and to direct that the discussion should be relevant to the item under consideration.

Mr. HALLADAY: In the year 1918, the Canadian Northern started to build a railway from the town of Hanna, on their main line running from Saskatoon to Calgary, to the city of Medicine Hat, a distance of about 130 miles. They laid more or less steel north of the Red Deer river and did a certain amount of grading south of the river. How much grading is there to be completed? Will the steel be laid on this grade this fall and, if so, will the connection be made over the Red Deer river? It is very important that this road be completed as soon as possible, because it connects the Canadian Northern system with one of the best manufacturing cities in Western Canada, and it will add greatly to the revenue of this road when completed.

Hon. Mr. REID: I find that this road is in the list of work to be done in Alberta. A contract was let in 1920 for the steel work on the bridge over the Red Deer river; that bridge is now under construction and, I understand, it will be completed in the near future. The starting point of this branch is from a place called Bonar. When the present contract is completed, the grade will be at mile 135, and, as I understand the matter, that is practically at Medicine Hat. My memorandum states that grading has been done within two or three miles of Medicine Hat, so that the grading is ready for rails practically all the way from Red Deer river to Medicine Hat. The track on December 31, 1920, was at mile 58.3. I take it that that is the line from Bonar to Red Deer river. As I understand the matter, the rails have been laid as far as Red Deer river, and the farmers last year had the advantage of the use of that portion of the railway. There are 76.7 miles of rails to be laid from the Red Deer river to Medicine Hat and that is in the list of works to be done. It is expected that this will be completed during the present season. As regards Alberta, this is the work laid out up to the present time:

Acadia Valley branch. The starting point is at Eyre. When the contracts are completed, the grade will be at mile 25. There are no rails laid on that so far, but 13 miles will be laid this year.

There is another branch of the Acadia valley, commencing at Eyre, and when the present contract is completed, the grade will be at mile 43. No rails have been laid. Eighteen miles of rails will be laid this year.

As regards the line from Hanna to Medicine Hat, as I have stated, it commences at Bonar. The total length is 135 miles. 58.3 miles of steel have been laid, and 76.7 miles of steel will be laid this year.

Oliver northeast branch, commencing at Oliver, 120 miles. When the present grading is done, there will be 120 miles graded, 120 miles of rails are there now ready and the line will soon be completed if it is not in operation at the present time.

Red Deer spur starting from the Brazeau Junction branch, 6 miles. The rails are laid on that.

Onoway branch, starting from Peace river junction, 72 miles when the grading is completed; 60 miles of rails are in place, and the rails will be put on the remaining twelve miles this year.

Munson double track, starting from Munson. The total length is 322 miles. 313 miles of rails have been laid, and 9 miles of rails will be laid this year. That makes a total of 128.7 miles of rails to be laid in Alberta this year.

Mr. BUREAU: I understand that the question I am going to raise was discussed this afternoon. This item is asked for the purpose of a—

Loan not exceeding $50,000,000 repayable on demand with interest at the rate of six per cent per annum, payable half-yearly, to be used (where amounts available from set operating

earnings may be insufficient) to meet expenditures made or indebtedness incurred at any time by or on behalf of the Canadian Northern Railway Company, the Canadian National Railway Company, or any company comprised in the Canadian Northern Railway System.

In 1919, on June 6, an Act was passed, subject, however, to coming into force by Order in Council, for the purpose of bringing all the Government railways under Dominion Government control under the provisions of that Act, and those provisions were to the effect that these Government railways were to be subject to the Board of Railway Commissioners, and to the provisions of the general Railway Act. Now either one of two things is true: either the Canadian National Railway Company exists, or it does not exist. If it exists, we have a right to discuss anything that comes within the purview of the Government railways which are to be included in that company. Of course, there is a restriction in the Act; the Governor in Council reserves to himself the power to designate what railways shall form part of the Canadian National Railway Company, but ordinary commonsense, even good horse sense, would make us presume that every railway under government control would form part of the Canadian National Railway Company. Now if this company does not exist, the minister has no right to ask us to vote this money for a company which is not in existence—for railways which are supposed to exist and be operated under a law which is not in force. This Act I speak of was passed under closure. I remember the circumstances distinctly, because there were certain disagreeable remarks addressed to me at that time. I say that the present situation as to the existence or non-existence of this company works an injustice to the public, and I will give you a concrete case.

In January of 1920 I filed a petition of right for $180,000 odd for a client of mine, the Belgo-Canadian Pulp and Paper Company. I also filed a similar claim, although the amount was not quite so large, for the Laurentide Company, for damage caused by the National Transcontinental operating north in the St. Maurice region. Those petitions of right are still in the hands of the Government, and all we got was an acknowledgment of receipt. In the meantime dams were destroyed by the Transcontinental, resulting in damage to property to the amount of $183,000, and we had to reconstruct them in a hurry to save the lumber coming down the St. Maurice river. One of the dams caused a jam of logs, and this jam of logs caused an erosion of the shore. Our petition of right filed in January, 1920, has been ignored, and in the meantime the Government has taken action against my clients for erosion, for a similar amount. I say that is a shame. Either this company exists or it does not exist. If it exists, I have the right to go before the ordinary tribunal. If it does not exist, I do not have that right, and I have to ask for a petition of right. Personally, I do not feel like voting money when the minister comes before Parliament and asks for a vote for the National Railway Company which is not in existence. We ought to know the exact status of that Canadian National Railway Company—what it hides, or what it covers. If we are going to vote money for the Canadian National Railway Company, why not pass the Order in Council and bring the Act into force? Why abuse the power vested in the Government? As the result of this negligence on the part of the Government, we have cases such as I have just cited. For my part, I do not feel ready to vote for this item under the circumstances.

Hon. Mr. REID: This vote is for the Canadian Northern Railway system.

Mr. BUREAU: Then strike out the Canadian National Railway Company.

Hon. Mr. REID: The Bill that the hon. member refers to was passed for the purpose of bringing all the Government railways under one corporation. At that time negotiations were going on with the Grand Trunk, which it was expected on completion would lead to its transfer to the Canadian National Railway system. The Intercolonial and the Transcontinental would also come into the one system. The Act was to be brought into force by Order in Council. That was the intention when we got the Grand Trunk.

Mr. BUREAU: There was no question of the Grand Trunk at that time?

Hon. Mr. REID: That was the intention when the Act was passed, but the negotiations fell through.

Mr. BUREAU: It must have been a pretty silent intention.

Hon. Mr. REID: Since then the management of the Canadian Northern have been appointed, and later, by Order in Council, a Board of Management was appointed to manage the Canadian National and the Canadian Northern.

Mr. BUREAU: That was before the Act.

Hon. Mr. REID: No, since the Act.

Mr. BUREAU: I am talking of the Order in Council.

Hon. Mr. REID: Prior to that, Mr. Hayes was general manager of the Intercolonial.

Mr. BUREAU: But as to the Order in Council, was it prior or subsequent to the Act?

Hon. Mr. REID: It was since the Act was passed. I am quite satisfied that Mr. Brady resigned from the Transcontinental and Mr. Hayes from the Intercolonial to be appointed managers of the road. The hon. member, if he had a claim against any portion of the railway—

Mr. BUREAU: I had three.

Hon. Mr. REID:—he would have to get a fiat and sue the Government.

Mr. BUREAU: I cannot get a fiat; that is the trouble. I have been trying for a year to get one.

Hon. Mr. REID: I have never heard of the case, and I am surprised that the fiat has not been granted. However, now the hon. member has brought the matter up I shall certainly see why it was refused. There is no reason why they should refuse a fiat at any time if they will not settle, and it is a surprise to me to hear there has been a refusal.

Mr. BUREAU: I would not surprise you at all. It takes a year or a year and a half to get a fiat.

Hon. Mr. REID: I can hardly believe it takes that long. However, I do not think the committee feel they have all the information they desire on this item, and I am not going to urge that it be passed to-night. In the meantime I shall make inquiries into the matter my hon. friend has brought up.

Mr. BUREAU: Leaving aside the question of the claim, why has the Canadian National Railway Company been included here? It does not represent the Canadian Northern Railway system. The Act provides:

> In this Act, unless the context otherwise requires, — "Canadian Government Railways" means and includes all such railways or parts thereof, and all such properties, works, powers, rigts and privileges, or interests or any of them as may be designated, whether generally or in detail, in any Order in Council from time to time subsisting, entrusting the management and operation thereof to the company under the provisions of section eleven of this Act, and includes, unless expressly excepted, all properties, works.
>
> And so on.
>
> "Canadian Northern" means the Canadian Northern Railway Company; "Canadian Northern System" means the Canadian Northern and the companies designated in the First Schedule to this Act.

We know exactly what "Canadian Northern Railway" means and what "Canadian Northern System" means, because every company included in those terms is designated under a specific name in the schedule attached to the Act. But "Canadian National Railway Company" is absolutely meaningless unless there are words there to cover something we know nothing about.

Mr. MANION: Before I discuss the subject which I desire to take up for a few moments I want to state a fact which will, I think, warrant the view that I shall not be out of order in what I have to say. The line to which I shall refer was originally a Grand Trunk Pacific line, the lake Superior Branch, but about the year 1913 it was leased by the Government to be run in conjunction with the Canadian Northern Railway. Having stated this, I think I am perfectly in order in discussing this subject, and I can assure the committee that I shall not occupy very much time. It will be remembered that a few years ago it was the custom of the railways particularly, but also of other companies, to look for bonuses. We know that the railways used to look for bonuses, not only from the Dominion Government, but also from the Provincial Governments, and the municipalities. At the time the lake Superior Branch of the Grand Trunk Pacific was built, from the main line to lake Superior, a distance of about 196 miles, the Grand Trunk Pacific Company entered into an agreement with the city of Fort William on March 29, 1905, by which the city gave them, among other things, a cash bonus of $350,000. They also gave them some land grants, some rights of way over streets of the city, certain exemption from taxation, police and fire protection, and street railway and other facilities. The citizens of Fort William estimate those grants, apart from the $350,000 cash, to run into hundreds of thousands. In return for this, the company agreed to establish their terminals at Fort William. Practically in the words of the agreement, they undertook:

To erect and maintain in Fort William its principal Lake Superior terminals, works, and head office, and engineering, construction, and operating staffs in connection with and pertinent to the said Lake Superior Branch.

These terminals consisted of such things as round houses, machine shops, repairing shops, work houses, superintendent's headquarters, engineering, construction and operating staffs, and the lake and rail traffic pertinent thereto. That at least was the spirit of the agreement entered into by the city of Fort William, which has lived up to the agreement. It has paid over the money, given the exemptions, and fulfilled all the other terms of the agreement. The people of Fort William never believed that they got their money's worth from the agreement, but so long as the company lived up to the conditions they agreed to, the city felt that though it had not derived very great advantage from the contract it must nevertheless take its medicine, so to speak. The people thought they would be sports enough to stand by the agreement, whether they were winners or losers.

About 1913 the Government took over the line on a lease to work it in conjunction with the other lines of the Canadian Northern and the Government railways, and from that time on the people of Fort William have been gradually losing as a result of the agreement. You will readily understand that a city of 8,000 or 10,000—the population was about that when the bonus was given—having given $350,000 cash, to say nothing of the various other concessions they made, worth hundreds of thousands of dollars, have shouldered a a heavy burden in this undertaking, and they are realizing now that it has been a losing proposition. The Board of Trade met some months ago. I was present at the meeting and on my suggestion they appointed a committee to look into this matter. They waited upon the superintendent at that place, but on orders from the authorities higher up, he refused any information as to the conditions that existed at that time in comparison with previous conditions. At various times since, citizens have noticed, without any information from the superintendent, that various trains have been taken off which made their headquarters at Fort William, both passenger and freight trains, various officials have been removed and freight, passenger and other traffics which had been transferred at Fort William, were no longer being transferred there. Large staffs of men were taken away and the city has lost what it would have gained had the agreement been lived up to by the other party. I will not go into the question in great detail.

There is nothing new in this condition, because I remember that nearly three years ago I came to Ottawa with a deputation and waited on the Minister of Railways. At that time we foresaw that we were going to lose certain things on behalf of desire for efficiency, but while we had no objection to anything being done to promote greater efficiency, we wished either to get what was coming to us or something equivalent to what the city had spent, both in this cash bonus and in the various grants it had given. We waited on the minister and later on we interviewed Mr. Hanna in Toronto. I have under my hand a letter written by the Board of Trade to the Minister of Railways on November 2, 1918, two and a half years ago. The minister throughout has been very friendly to the city, and I believe it has been his desire to give the citizens justice. But it has always been pointed out that the railways are operated by Mr. Hanna and a directorate. The city lately concluded that they were not getting justice. There was no sign of their getting what was due them, and so they took legal advice. They consulted some of the best lawyers in the country who upheld their contention that they had undoubted rights in the matter, and that if the terms of the agreement were not complied with on the part of the other party, they had a perfect right to institute a lawsuit. I have spoken to, waited upon, and written to Mr. Hanna on the question and he gives various excuses as to why changes are made, but he always insists that Fort William should and will get a fair deal. He claims that the changes have been made in the interests of efficiency, and I have no argument against any steps in that direction, nor have the people of Fort William. But neither they nor I agree that all these changes have been necessary in order to promote efficiency, and whether they are necessary or not, they should not all be made at Fort William's expense and the city unquestionably has a right to some return for this cash bonus of $350,000 and the various other grants they have made. Certainly the citizens do not intend to sit quietly by and see the profits which should accrue to them taken away. Without going futher into the question, I wish to say that the people of the city of Fort William which I have the honour to represent expect that this agreement will be lived up to by the other party. They realize that when

a private corporation enters into an agreement with a city or another corporation, if the agreement is taken over by a third party, that party is expected to fulfil its terms just as through he had been one of the original parties to the agreement; and in the same way when the Government takes over a railway, as it has done in this instance, it is expected that the agreement will be observed. The Government must live up to the agreement just as the Grand Trunk Pacific would have had to do. There is not only a moral but a legal claim as well, and the citizens of Fort William have legal opinion behind them in this position. As I have stated, I believe that the minister and Mr. Hanna have both tried to be fair. They both claim that they have been endeavouring to do justice by Fort William, and the minister on various occasions has taken the matter up with Mr. Hanna to see that everything that could be done to ensure a fair deal by Fort William should be done. But the citizens of that city have reached the stage where they demand a show-down and they expect that this agreement will be fully lived up to. I expect the same thing, and I may say that the people of Fort William will certainly fight to see that they get their rights in the matter. If the agreement is not lived up to the Government is sure of a lawsuit; and if the lawsuit does not give the city justice I can assure the Government that during the next session of Parliament I will see what the Parliament of Canada has to say about it. Finally I would like the minister to assure me—he has done so privately and I feel sure he will be quite willing to do so publicly—that he will make strenuous effort to see that Fort William will not suffer injustice under this agreement with the Grand Trunk Pacific.

Hon. Mr. REID: The hon. member has several times very forcibly brought this matter to my attention, and I think the people of Fort William can rest assured that he is looking after their case satisfactorily. The trouble is this: It is impossible for me to take the matter up at the present time on account of the railway situation being in an unsettled state. There will be some dissatisfaction as a result of placing the Transcontinental system, and the Canadian Northern and the other railways together on account of the changes that must be made, which changes are in the interest of economy. These cases, when the Government gets control of the whole system, must be dealt with, and I would say would be dealt with fairly by any government. I am sorry that we have not been able to take this matter up and get a decision earlier than this. I have within the last few weeks taken up the case of Fort William with Mr. Hanna and urged him to do what he could to carry out the agreement so far as it was consistent with the operation of the railway. I am satisfied that the question will have to be taken up by the management within the near future, and if an agreement cannot be come to between the management and the city it will, of course, have to be settled through the courts. The Government, however, has no desire whatever to take advantage of any claim the city of Fort William may have. All it would wish to do would be to see that in any settlement made—if it is necessary to make a settlement, on account of placing the two terminals together at either one point or the other—such settlement is fair and reasonable, and I am satisfied Parliament will vote any amount that would be necessary to settle a claim that was properly established.

Mr. MANION: May I say, in justice to the minister that he has done what he stated; he has taken the matter up with Mr. Hanna and has endeavoured to get the matter straightened out to the satisfaction of the people at Fort William. May I also say, in justice to Mr. Hanna, that he always asserts that he intends to do the same and that at the present moment he is dealing with the matter. The reason I brought the question up to-night is because when we are dealing with the Estimates, as we are now doing it is practically the only opportunity when I can reasonably bring it forward. I wish to put myself on record as stating positively here that if the city of Fort William does not get justice in this matter, that when the time comes I will again bring it before hon. gentlemen, if necessary, and ask the House to deal with it.

Mr. FIELDING: May I bring to the attention of the minister a matter concerning one of the railways which are included in the Canadian Northern system and therefore entirely within his department. There is a railway running through the western part of Nova Scotia known as the Halifax and South Western, which is one of the subsidiaries of the Canadian Northern. A fire occurred along the road a year or two ago in the district known

as Sable River and Louis Head. The people in the neighbourhood, regarding the road as now controlled by the Government, not unnaturally made representations to their members of Parliament, and I brought the matter before the railway management. I must in fairness say of them that they acted very promptly in the matter of an investigation. An official was sent down and made the necessary inquiry. My impression is he reached the conclusion that the claim was a just one, but when some delay occurred and representations were urged upon the management, the reply was that under the Railway Act not more than $5,000 could be paid on one fire claim —I think that was the statement made to me—and as the claim of these people exceeds that amount nothing could be done. Now this is one of the anomalies arising from the questionable character of the ownership of the road. If it is a government road there should be no limitation; if it is a private road, a corporation road, I suppose the general principles of the Railway Act will apply. It would certainly seem to me that the claim is a just one. I do not wish to assert that; I only speak of it because I think the inquiry that was made rather led to the department having the impression that the claim was a just one. If the claim is found to be a just one and these people have a real grievance, I do not think this $5,000 limit should stand in the way in the event of their having suffered damages to a larger extent. I do not suppose the minister himself has any particular knowledge of the subject, but there is an impression in the minds of the people down there that they have not had fair treatment in the matter, and I would be very glad if the minister could, in any way he thought best, look into it.

Hon. Mr. REID: I will be glad to look into the matter and find out exactly what the situation is. Of course the railway in question is part of the Canadian Northern system, having been built by a private company, and the Railway Act would apply to this particular case. However I will look into the matter and perhaps at the next meeting of the committee I will have some information with respect to it and be able to discuss it.

Mr. ARGUE: I would like to have a more definite statement from the minister with reference to the branch line in Saskatchewan to run from Gravelbourg to Swift Current, on the Canadian Northern. In 1918 we were promised by the president of the company that the railway would be in Swift Current in 1920, and we have been very patient so far in waiting for the road to be built. Now the grade is up to Neidpath, and steel is laid to within ten miles of that point. The farmers of that district have made arrangements, and laid all their plans, to build an elevator at Neidpath but they were advised that it would be better to wait until they could get some more definite assurance with regard to laying the rails on that branch. What I would like to know is whether the rails will be laid on the branch in time for these people to get out their wheat this fall. There is something like 40,000 acres of grain which will be marketed in Neidpath providing the elevator can be built so as to store the grain until it can be got out. I would like the minister to give me that assurance so the the farmers can go ahead with the arrangements for building the elevator with the certainty of being able to take out the grain this fall.

Hon. Mr. REID: In speaking to Mr. Hanna about the matter he mentioned that they would lay this ten miles this year for the reason that an elevator would be built, and it was for that purpose the rails would be laid. I am quite satisfied that it is the intention of the Canadian National Railway management to lay the ten miles in question, and I feel satisfied from the way Mr. Hanna mentioned it to me that there is no doubt it will be done. Unless something unforeseen should happen it is the intention anyway to lay the rails before that time. The 50,000 tons of new rails which were purchased are now being rolled and sent on to the main line. The rails thus released will go on to the branch lines and the branch in question is one of those that will be taken up first.

Mr. DAVIS: Can the minister give us the Manitoba programme?

Hon. Mr. REID: In Manitoba: Amaranth extension, starting point Delta junction. When the present track is complete the grade will be to mile 61.9; track on December 31, 1920, was at mile 44.1; 17 miles yet to lay. That will be laid this year. St. Rose du Lac branch, starting point Ochre river. When the present track is complete the grade will be to mile 40; track on December 31, 1920, was at mile 14.9; 25.1 miles will be laid this year.

Mr. COWAN: What policy is being followed in putting steel upon grading al-

ready done? The reason I ask is that it looks to me from the programme submitted to-night as if the department have completely lost a railroad in the province of Saskatchewan. I refer to the line that was built from the Canadian Northern at Lumsden to Craven, and which has been operated in a sort of a way for freight purposes for a number of years. About seven or eight years ago the line was graded from Craven down through the Qu'Appelle valley to serve a very thickly settled district that is badly in need of railway accommodation. Is it the policy to lay steel on grading done in the last year or two and neglect grading completed five or six years previously? It seems to me there ought to be some preference given to the grading first done.

Hon. M. REID: It is quite evident from the remarks of the hon. member that I have not that line on my list. The policy is to lay rails on the grading already done at the earliest possible date. I will make inquiries and when we come to the item again at another sitting I will have full information ready.

Mr. KNOX: Will the same assurance be given in reference to other lines in Saskatchewan that the minister stated a little while ago were already graded?

Hon. Mr. REID: I gave a list of the lines in Saskatchewan and stated that the management intended to lay rails as fast as they could get them from the main line.

Mr. TURGEON: When I made the statement that only 24 per cent of the grain of the West was exported through Canadian ports I could not lay my hand on the information. It has reference to the six months ending last February.

Mr. FIELDING: May I be permitted to call the minister's attention to another little line in connection with the Halifax and South Western? We are repeatedly assured by hon. members of the Government that we must all practice self-denying ordinances and not ask for new construction of public works owing to the financial situation. That argument has very much weight, but exception appears to be made, and perhaps justly made, in the matter of branch railways. My hon. friend has read a list of branch railroads in connection with the Canadian Northern which are to be constructed in the West, most of them lines of considerable length and involving large expenditure. I take it for granted that these are really urgent matters, and I do not wish to be understood as offering any objection, but there is a small matter down in my county of Shelburne affecting the branch line running into the town of Lockport. Lockport is one of the most important fishing towns in Nova Scotia. It is about four miles away from the main line, and its traffic at present is done by ferry. That is better than nothing, and the people are glad to have it, but at the same time the business of the community would be much better developed if they had this siding—it is not more than that—of four miles. I mentioned the matter last year when the minister was talking of branch lines in the West running into an expenditure of millions of dollars, and I said I thought it would not be asking too much to have this small branch line of four miles constructed. I think I made such an impression on the mind of the minister because I find he answered me in these terms—I am sorry I cannot find the reference at the moment, but he spoke to the effect that the matter was already engaging the attention of his department, and he did not see any reason why the line should not be constructed. Nothing has been done. I am not making a complaint on that score but I do think a strong case can be made out for this little branch if the Government is going to indulge in new expenditures of that nature in other parts of the country. The hon. gentleman assured me last year that he would send a responsible officer down there to see the people concerned and report on the traffic prospects. I know when Mr. Hanna was in Nova Scotia making a general survey he was to have looked into the matter, but he was summoned back to Ottawa on urgent business. He assured me that he would send some one down to inspect and report. I cannot say that that has not been done, but I have heard nothing further about the matter. I would again urge the importance of this little branch line. If we were refusing branch lines everywhere I would not make this request, but this small branch of four miles I think can, for business reasons, be amply justified. I hope my hon. friend will again take a favourable view of it and see if my request cannot be complied with.

Hon. Mr. REID: I well remember my hon. friend bringing this matter to my attention last year. I cannot remember now what was done but I will make inquiries and have the information ready at the next sitting of the committee.

We have had quite a discussion, Mr. Chairman, and I would move that the committee rise, report progress and ask leave to sit again.

Progress reported.

On motion of Right Hon. Mr. Doherty, the House adjourned at 12.05 a.m. Saturday.

Saturday, May 7, 1921.

The House met at Two o'clock.

PRIVATE BILLS

FROM THE SENATE—FIRST READINGS

Bill No. 142, for the relief of Lily Appleton.—Mr. Douglas (Strathcona).

Bill No. 143, for the relief of Harry Hirshenbain.—Mr. Jacobs.

Bill No. 144, for the relief of Percy Christopher Paul.—Mr. Harrison.

Bill No. 145, for the relief of John Graham.—Mr. Smith.

TARIFF INVESTIGATION REPORT

On the Orders of the Day:

Hon. W. L. MACKENZIE KING (leader of the Opposition): I think it is the intention of the Government to have the Budget presented on Monday. Is it the intention of the Government to lay on the table of the House any report of the committee of the Cabinet which held an inquiry into questions of the tariff during last year? In the speech from the Throne, it is mentioned that the conclusions of that investigation will be presented in due course. Shall we have them in a form in which the House can consider them?

Hon. J. D. REID (Minister of Railways and Canals): I will make inquiry of the Minister of Finance and let the hon. member know a little later in the day.

Mr. MACKENZIE KING: Before the Budget speech is brought down?

Hon. Mr. REID: A little later in the day.

INTERNATIONAL JUSTICE

Hon. J. D. REID (Minister of Railways and Canals) for Right Hon. C. J. Doherty (Minister of Justice), moved the third reading of Bill No. 73, to authorize the ratification and carrying into effect of the Protocol of December 16, 1920, accepting the statute for the Permanent Court of International Justice of December 13, 1920.

Motion agreed to, and Bill read the third time.

SUPPLY

The House again in Committee of Supply, Mr. Boivin in the Chair:

Immigration and Colonization—salaries and contingencies, $223,257.50.

Mr. MACKENZIE KING: Will the minister kindly explain the increase of $48,205?

Mr. CALDER: There is an apparent increase in the staff of the department. It will be noted in the statement of details that the number of officials employed last year was 102, whereas the Estimates this year show 126. As a matter of fact, however, there has not been any addition to the departmental staff. During the year there has been a process of readjustment. Heretofore, we have had on the regular staff at Ottawa employees who were paid out of general votes, and I am of opinion that that practice should cease. All that has been done in this case is that a number of officials who being on the staff, were paid out of general votes of the department, have been placed on the Civil Service List. I think that is the better practice. Therefore, there is no increase in the number of the staff, and any other increase there is as regards the staff is due to increases of salaries arranged for by the classification.

Mr. JACOBS: I do not know whether I am in order or not; but with the approval of the committee, I should like to ask if the minister would tell us something about a new Order in Council passed by the department, I think, on April 30.

Mr. CALDER: I did not know to what Order in Council the hon. gentleman was referring—

Mr. JACOBS: There were so many.

Mr. CALDER: Not so very many; there are a goodly number necessary in connection with the administration of the work of the department. If I understand what the hon. gentleman has in mind, it was an Order in Council issued recently providing for the payment of a small fee where permits are granted to people who are allowed to enter Canada temporarily. In the case of persons affected mentally, that is, insane persons or persons approaching insanity, a fee of $25 has been fixed for the granting of temporary admission of those persons to Canada. In the case of others, I think the fee is $5. As the committee

can readily understand, we have a great deal of work and a good deal of expense in connection with those cases. They must be followed up, and officials must be employed to do that work. In addition there are other incidental expenses; and it is thought that when permits are granted by the department to people to enter Canada temporarily and where we have that additional work and expense cast upon us, those who are granted that privilege should be charged a fee.

Mr. JACOBS: Is it the policy of the department to make intending immigrants pay for the upkeep of the department? Is not this incidental to the work of the department?

Mr. CALDER: These are not immigrants who are to remain in Canada permanently. They are simply granted permission to enter Canada for a short time, say for a period of six months, and in some cases a year. There is a good deal of expense in connection with granting these people this privilege, and I think they should contribute something towards the expenses entailed.

As regards the general question raised, I am not so sure but that the time has come when we would be justified in charging a small fee to people who enter Canada. The expenditure in connection with the department is very large, and it may be that, within a measurable distance, the policy should be adopted of requiring those who enter Canada to pay a small fee which would help defray a portion of the expenditure. The United States charges a head tax of $8, if I am not mistaken. I have not the figures before me but their expenditure on immigration runs into millions of dollars, and it is all paid out of the head taxes collected, and there is a surplus. I do not say that the time has arrived when we should do that in Canada, but I do say that the subject is worthy of consideration. The matter has been under consideration already, but no decision has been arrived at, and consequently nothing will be done in that direction this year. I think, however, that the matter might very well be considered before another session, and a conclusion arrived at.

Mr. JACOBS: Under the Laurier Administration we paid a little in order to induce immigrants to come to this country. We are evidently reversing that policy now. This small tax which the minister proposes to impose is an inducement, I suppose, for people to come to this country.

[Mr. Calder.]

Mr. KNOX: What revenue is received annually, or has been received altogether, from the tax on Chinese immigrants?

The CHAIRMAN: I must point out that these questions are not strictly in order upon the present item. The present item concerns only the salaries of the Civil Government employees here in Ottawa. If hon. gentlemen would only wait till we reach Items Nos. 52, 53, and following, which will be taken up immediately, all these questions would then be strictly in order, and, as an acting chairman once said, it would make the task of the Chairman much easier.

Mr. CLARK (Red Deer): Am I to understand that the Chairman, whose wisdom I never doubt, is calling the minister to order for obstructing his own Estimates?

Mr. CALDER: I might say in reply to my hon. friend from Red Deer (Mr. Clark) that I was asked a question from the other side of the House, which I politely endeavoured to reply to.

Mr. CLARK (Red Deer): From what I gathered, the subject under discussion was of considerable importance, and the minister made a very provocative speech in reply. He may consider himself lucky if the Chairman saves him from a long debate.

Mr. STEVENS: Is the Deputy Minister of the Department of the Interior the Deputy Minister also of the Immigration Department?

Mr. CALDER: Yes, Mr. Cory is still acting as Deputy Minister of Immigration.

Mr. JACOBS: A couple of years ago an additional $1,000 was placed in the Estimates for Mr. Cory, on account of the work he was doing for the Department of Immigration exclusive of his duties as Deputy Minister of the Interior Department. Why has that been dropped?

Mr. CALDER: The reason was that some hon. gentlemen on the other side of the House took very strenuous objection to that procedure being followed.

Mr. JACOBS: Only one.

Mr. CALDER: As a matter of fact, the Immigration Department was part of the Interior Department for a great many years, until it was thought advisable to separate them. I doubt if Mr. Cory has very much more work to do now in con-

nection with the Immigration Department than he had when the two departments were amalgamated.

Mr. LEMIEUX: Is not Mr. Scott the Deputy Minister of the Department of Immigration?

Mr. CALDER: No, he was the superintendent.

Mr. CAHILL: In view of the statement of the minister a few days ago, in which he intimated that the principal part of his work was to keep immigrants out of Canada rather than to encourage them to come in, how does he account for the increase of $45,000 in this item?

Mr. McMASTER: On account of the harder work he has keeping them out.

Mr. CALDER: In the first place, I did not say that the chief work of the department was to keep immigrants out. In the second place, as I have already explained, there is no increase in the staff. We are simply carrying them here instead of under the general vote.

Mr. LEMIEUX: There is evidently a mistake in the Estimates, for I read on page 83, "Department of Immigration and Colonization, deputy minister, $6,000," and then on page 80, "Department of the Interior, deputy minister, $6,000." Are we voting the amount twice?

Mr. CALDER: That vote in the immigration has been carried during the last two years, but the position has not been filled. Mr. Cory is simply acting as Deputy Minister of Immigration, and as such he does not receive any salary. If the appointment were made at any time, the person appointed would get this $6,000.

Mr. DECHENE: How is it that the Chief Inspector of Immigration is receiving an increase of $1,335? His salary last year was $2,625, and this year it is $3,960. That is a large increase in one year. The big fellows in this department seem to be getting all the increases.

Mr. CALDER: The hon. gentleman is probably aware that the salaries of all the officials in the service have been carefully reviewed by the Civil Service Commission during the past year, and as a result of their study of the whole subject they have made certain recommendations to the Government as to what the salaries should be for the different positions. The Chief Inspector of Immigration has very considerable duties to perform, and very responsible duties too.

Mr. JACOBS: Who is he?

Mr. CALDER: Mr. Percy Reid. I would judge that the Civil Service Commission, after a study of his work in comparison with that of the other chief officials, came to the conclusion that he had not been adequately paid in the past, and consequently recommended this increase.

Mr. DECHENE: Does the same reason account for the increase of $1,000 in the salary of the secretary of the department, and for the increase of $635 in the salary of the secretary-clerk, and for the increase of $1,060 in the salary of the Division Commissioner of Immigration? These are substantial increases among four or five employees drawing the biggest salaries. The smaller-salaried men do not seem to be receiving much of an increase at all. In my opinion, the higher officers in the department were pretty well paid before the reclassification, and they were of course able to put their case before the Board of Hearing, as the junior officials could not, with the result that they succeeded in many cases in obtaining increases while the less fortunate ones were left in the hole, if I may say so. That is hardly fair, and I think that the Government, if they saw fit to increase the salaries of high officials, should have saved something for those lower down.

Mr. JACOBS: I do not know much about the work of the Chief Inspector of Immigration, but I do know something about that of the secretary of the department, and any salary that we pay him is nothing compared to the work he is doing. I would advocate reversing matters, and would suggest that the secretary receive the salary which the minister himself receives and that the minister be given the secretary's salary, because most of the work of the department is done by the secretary. This gentleman performs his work well, and shows tact, judgment and discretion; and altogether I am surprised that up to the present he has remained in a position for which he draws a paltry $2,900. He should have resigned long ago and obtained a position with a salary commensurate with the kind of work he does.

Mr. DECHENE: A new position has been created, that of supervisor of women's division of immigration, at a salary of $2,700. Is this officer a man or a woman?

Mr. CALDER: A lady.

Mr. DECHENE: Is she located in Canada, England, or where?

Mr. CALDER: In Canada.

Mr. DECHENE: What is her name?

Mr. CALDER: Mrs. Robson. She has been occupying the position temporarily for some time, having been in the service now for about a year or a year and a-half. She does excellent work.

Mr. DECHENE: Is she only a temporary employee?

Mr. CALDER: Yes. About three months ago the Civil Service Commission advertised to have the position filled and a dozen or more applications were sent in. They were all carefully considered and the conclusion was reached that the position should again be advertised as none of those who had applied were considered as having the qualifications necessary for the work.

Mr. MURPHY: On whose advice was the position re-advertised?

Mr. CALDER: During the past year there has been established an organization known as the Canadian Council of Women's Immigration, which deals particularly with the immigration of women. Some eight, ten or twelve national organizations are represented on that council, and at their last meeting, held about two or three weeks ago, the Civil Service Commission made representations to them regarding the difficulties which had been encountered in having this particular position filled. On the request of the commission that council appointed, I think, three of its members to go over and consider with the commission all the applications that had been made, and finally, as a result of their representations to the commission, it was decided to advertise the position again.

Mr. MURPHY: Is that council a body constituted by Government?

Mr. CALDER: Yes.

Mr. JACOBS: I understand that this lady deals exclusively with women immigrants?

Mr. CALDER: Yes.

Mr. JACOBS: She is at the head of that particular department?

Mr. CALDER: Yes.

Mr. CAHILL: How many applications were received in all by the minister?

[Mr. Calder.]

Mr. CALDER: I did not receive any; they went to the commission.

Mr. CAHILL: Well, how many were there?

Mr. CALDER: About a dozen.

Mr. CAHILL: And none qualified?

Mr. CALDER: That was the conclusion come to.

Mr. CAHILL: By the Civil Service Commission or the department?

Mr. CALDER: By the commission.

Mr. DECHENE: Who is the gentleman who is classified as secretary to the executive?

Mr. CALDER: Miss Johnston; she is secretary to Mr. Scott, who was Superintendent of Immigration and is now assistant deputy minister.

Mr. DECHENE: Miss Johnston is secretary to the assistant deputy minister?

Mr. CALDER: Yes.

Mr. DECHENE: Has the deputy minister himself also a secretary?

Mr. CALDER: He uses his own organization in the Interior Department; he has no secretary provided for in these Estimates. The deputy minister is Deputy Minister of the Department of Interior as well, and, of course, he has his staff there.

Mr. DECHENE: I see there are four assistants to the secretary. Do they all assist the secretary of the department, or Miss Johnston?

Mr. CALDER: They are assistants to the secretary of the department. As the hon. gentleman can readily understand, the secretary carries on, in the main, the correspondence of the department, and these are simply his assistants in directing and carrying on that large volume of correspondence.

Mr. JACOBS: Mr. Scott, I understand, is assistant deputy minister?

Mr. CALDER: Yes.

Mr. JACOBS: And his salary has been increased some $800 during the year?

Mr. CALDER: Yes.

Mr. JACOBS: Was there not some question of his resigning? I understood his health demanded his resignation?

Mr. CALDER: I would scarcely say that. Mr. Scott has been in the service

a long time and has done very valuable work in the past. While his health to-day is not what it was some years ago, still he has hardly reached that stage where he should resign. He is still a very capable and useful worker.

Mr. JACOBS: Could he retire on an allowance?

Mr. CALDER: Yes, he could be retired under the Retirement Act.

Mr. JACOBS: I am glad to hear that his health is better.

Mr. COPP: Under "Health contingencies," there is an item of $5,000 for clerical assistance. I judge from the details of the vote that the clerical staff is pretty well provided for apart from this $5,000, and perhaps the minister will say what this is for.

Mr. CALDER: This is a vote that is usually taken in every department, because there may be periods in the course of the year when it might be necessary to procure help of a purely temporary character. There are times when the business of the department is more or less rushed, and it is necessary to have a vote of this kind. The custom prevails throughout the entire service, and it is merely to take care of any temporary help that is needed.

Mr. COPP: There are twenty-four clerks and other officials more this year than last year. The number this year is 126 as compared with 102 a year ago.

Mr. CALDER: The hon. member was not in the House when I explained that. There is really no increase in the number. It is simply a transfer of members of the staff who were carried on the general vote of the department. They are now transferred to the civil government list, which should have been done long ago. Where officials are here on the staff at Ottawa they should not be carried on a general vote but should be put on the Civil Service list, where they rightly belong; and we propose now to carry on the civil list persons who previously were carried on the general vote. As I have said, there is really no increase.

Mr. COPP: Has any part of the $5,000 voted last year been expended?

Mr. CALDER: We had eight temporaries last year who were employed at salaries totalling $5,980. I do not know whether they were carried throughout the entire year, but that was the total of the salaries that would be paid them.

Mr. JACOBS: Who is the Commissioner of United States Immigration, and where is he located?

Mr. CALDER: Mr. W. J. White has been commissioner for a good many years. He makes his headquarters at Ottawa.

Mr. JACOBS: What are his duties?

Mr. CALDER: He has general supervision of our work in the United States. He overlooks and directs all the work of the various agencies there.

Mr. JACOBS: Looks over!

Mr. CALDER: He overlooks their work.

Mr . JACOBS: He does not overlook much as far as I can see.

Mr. CALDER: Well, it all depends on what you mean by "overlook." His work is carried on entirely in the United States in supervision of our agencies there.

Mr. JACOBS: Is that at Ellis Island?

Mr. CALDER: No.

Mr. JACOBS: We maintain an office at Ellis Island do we not?

The CHAIRMAN: I must remind the committee that consideration of any matter connected with Ellis Island would come up under item 52 where there is a vote of $80,000 for immigration in the United States. I hope the committee will allow progress to be made with the large item for salaries in the Inside Service, and the matter of Ellis island will then be in order under item 52.

Mr. JACOBS: I am asking for information concerning the commissioner of United States immigration, and wish information about it.

The CHAIRMAN: I am very sorry, but anything pertaining to the work of the Department of Immigration in the United States and at Ellis Island does not properly come up under the vote for civil government.

Mr. JACOBS: I beg your pardon Mr. Chairman, you will find on page 83, as the third item—" Commissioner of United States Immigration, $4,500," which is an increase of $500 as compared with last year.

The CHAIRMAN: The hon. member is quite at liberty to ask anything concerning the duties of that official here at Ottawa, but not to discuss the matter of the office at Ellis Island.

Mr. COPP: I would like to ask my hon. friend also in regard to the item of $28,000 for travelling expenses and sundries under the heading of "Contingencies." How much of that was expended last year, and what part was for sundries? What is included under the word "sundries?"

Mr. CALDER: Take the whole vote for contingencies of $40,000, we over-expended last year some $4,000. That included provision for these temporary clerks. In addition that item covers all the printing—forms, envelopes, record books, letterheads and everything of that kind for the department.

Mr. COPP: That would be under printing and stationery?

Mr. CALDER: Yes. The travelling expenses cover the travelling expenses of the chief officers of the department.

Mr. COPP: I understand that.

Mr. CALDER: My hon. friend will see the list of officers. Those officers have a good deal of travelling to do. Take for example the chief inspector of immigration—take the officer in charge of juvenile immigration, and other of our chief officers—they travel a great deal throughout the country. I have not the details here of the expenditures for travelling expenses last year; I simply have the total amount expended under the head of contingencies.

Mr. COPP: My hon. friend misunderstood me. I did not ask particularly about the travelling expenses, although they are under the heading of sundries—I asked particularly, what was under that heading—what would be included in sundries that is not provided for in the other votes?

Mr. CALDER: I think that is intended to cover items like telegrams and telephone messages, and so on, expenditures incurred directly by the department itself.

Mr. COPP: You have not those particulars separate from the travelling expenses?

Mr. CALDER: I have not.

Mr. JACOBS: I notice we are providing for the salary of "Supervisor of Personnel." Who is that official and why should this department particularly have a supervisor of personnel?

Mr. CALDER: Mr. Featherstone is acting in that capacity; he is an old officer in the department and has been there a great many years. I understand they have an officer doing similar duties in connection with nearly all the departments. Mr. Featherstone has work outside of this. In a general way he looks after all appointments to the service, carries on all the work that is necessary to be carried on with the Civil Service Commission—at least a great deal of that work—and generally has charge of the details connected with the personnel of the staff. That does not occupy all his time. As members are aware he assists me a good deal here while the House is in session, in connection with my own work in the House and also in connection with departmental matters.

Mr. CHISHOLM: What are the duties of this Division Immigration Inspector grade 2?

Mr. CALDER: I think the vote will show it. We have three officers of that class. Canada is divided into three immigration districts, the Eastern District, the Western District—that is the prairie district—and the Mountain District, with three commissioners in charge. Under each of these commissioners there is a division inspector. That inspector has the supervision of the work of all the boundary inspectors under the jurisdiction of each of these commissioners. Mr. Willans is the gentleman who occupies that position in Eastern Canada, and it is his duty to oversee the work of the boundary inspectors along the borders in Eastern Canada and see that everything is running properly.

Mr. CAHILL: Does the Supervisor of Personnel draw a salary for performing the duties of that office and another salary for doing some other work?

Mr. CALDER: No.

Mr. MURPHY: Referring again to an item which the hon. gentleman has partially explained, I would like some further explanation with regard to it. That is the "Supervisor of Women's Division Immigration" at a salary of $2,700. I observe that this is a new vote, therefore I take it this is the creation of a new position. Is that correct?

Mr. CALDER: Yes.

Mr. MURPHY: The hon. gentleman has explained that the duties pertaining to this office have been discharged temporarily by a lady who has been in all respects satisfactory. That also is correct?

Mr. CALDER: Yes.

Mr. MURPHY: May I inquire why her services are not going to be continued?

Mr. CALDER: Mrs. Robson has made up her mind that she does not wish to continue in the service, and she remains on temporarily until such time as an appointment is made. Let me say this to the committee, and say it very frankly,—that in my view, the handling of the problem relating to the immigration of women is one of the most difficult problems that the department has to deal with, and it is most essential that we should get a woman who is thoroughly competent and thoroughly trained, with the necessary tact and judgment to handle that work. I would be the last man who would want to see any person appointed who did not have such qualifications, because there is no position in our service where more trouble can be caused by not having the right kind of person in the position, and I have been most anxious that an appointment of right class should be made. Mrs. Robson has made up her mind that she will not continue in the service, and it is expected that she will leave very shortly, and I am very anxious that we should get, as her successor, some person who can do the work and carry it on in the way in which it should be carried on. We must have such a person, otherwise we are going to have a great deal of trouble.

Mr. MURPHY: Then I understand my hon. friend to say further that the position had been advertised as being a new one, and applications had been invited for it; that applications were sent in, a dozen or more; and that after these had been inquired into the decision was reached that none of the applicants came up to the requirements, and it was decided to re-advertise the position. Is that correct?

Mr. CALDER: Yes.

Mr. MURPHY: I understood my hon. friend to say further, that the applications sent in were inquired into jointly by the Civil Service Commission and the representatives of a council of women appointed in some way by the Government. I would like to know who compose this council, on what basis they are appointed, and by what authority they have a voice in making this Government appointment.

Mr. CALDER: In the first place, the appointment was by Order in Council under the Immigration Act.

Mr. MURPHY: That is, the first appointment?

Mr. CALDER: The body was created under the provisions of the Immigration Act.

Mr. MURPHY: Is the hon. gentleman now speaking of the Council of Women?

Mr. CALDER: Yes. The organizations represented on that council are: Interprovincial Farm Women—a nation-wide organization—by Mrs. John McNaughton, of Harris, Saskatchewan; the Federated Women's Institutes of Canada, by Mrs. J. S. Robson, of Winnipeg; the Young Women's Christian Association, by Lady Falconer, of Toronto; the National Council of Women, by Mrs. Vincent Massey, of Toronto; the Women's Christian Temperance Union, by Mrs. Gordon Wright, of London; the Imperial Order of the Daughters of the Empire, by Mrs. W. D. Spence, of Calgary; the National Committee on Mental Hygiene, by Mrs. Colin Russel, of Montreal; the Trades and Labour Congress of Canada, by Mr. Tom Moore; the Great War Veterans Association, by Mr. MacNeil, Secretary; the Catholic Women's League of Canada, by Lady Pope, of Ottawa; the Women's Missionary Society of the Methodist Church of Canada, by Mrs. H. A. Lavell, of Kingston; the Women's Missionary Society of the Presbyterian Church in Canada by Mrs. J. N. West, of Toronto; the Women's Auxiliary to the Missionary Society of the Church of England, by Miss Bogert, Ottawa, and the Social Service Council of Canada, by Dr. J. G. Shearer, Toronto. The Council is composed of persons whose names I have mentioned. They have had several meetings. The main object of the Council has been to consider the problem of women immigration and to make certain recommendations to the Government from time to time as to the best method of carrying on our work, and I can say quite frankly that their recommendations have been very helpful to us. As a matter of fact, we have made a number of changes in the handling of women immigration, which I think, have resulted in great good to these people. For example, these various organizations have women officers at the ports in addition to our own, and when the immigrants land they are very much better looked after than in the old days, being provided with all sorts of comforts and assisted in every way. In fact, these organizations handle, very efficiently, all the problems connected with women immigration, and when it becomes known overseas how carefully the work is done, it will tend to increase our immigration.

Mr. MURPHY: Has the hon. gentleman got the date of the Order in Council to which he referred?

Mr. CALDER: I have not a copy here. It must have been made about two years ago.

Mr. MURPHY: Will the hon. gentleman be good enough to bring it down?

Mr. CALDER: Yes.

Mr. MURPHY: Who defines the duties for each of these positions which are set forth in the advertisements of the Civil Service Commission inviting applications?

Mr. CALDER: The same practice prevails there as in all the departments. The department in the first place suggests to the commission what the duties should be If any objection is taken by the commission, then I presume there would be a conference between the departmental officials and the commission, and as a result the duties would be finally fixed.

Mr. MURPHY: I understand that the general rule is as the hon. gentleman states it, but I should like to know who defines the duties of this particular position. Is it the hon. gentleman, or his department, or the Civil Service Commission, or this Council of Women?

Mr. CALDER: That would be done by the deputy head of the department in consultation with his chief officer.

Mr. MURPHY: Does the hon. gentleman know that that has actually been done?

Mr. CALDER: I would think so.

Mr. MURPHY: Can the hon. gentleman say so definitely?

Mr. CALDER: I have no knowledge to the contrary.

Mr. LEMIEUX: Does the Council of Women hold regular sessions?

Mr. CALDER: I think their meetings have been confined to one annually.

Mr. LEMIEUX: Are they paid to attend such sessions?

Mr. CALDER: If I mistake not, we paid their travelling expenses the first time they met; since then, they have paid their own travelling expenses.

Mr. MURPHY: Have advertisements been published inviting new applications for the position?

Mr. CALDER: That I cannot say.

[Mr. Calder.]

Mr. MURPHY: Does the hon. gentleman know when such applications will be invited?

Mr. CALDER: That I cannot say.

Mr. MURPHY: Could the hon. gentleman state who were applicants for the position, and what their respective standings were?

Mr. CALDER: I do not know the name of one of them. I never had the list before me, and I never made inquiries. I have persistently kept away from the Civil Service Commission and their work, and I propose to continue to do so. I never heard the name of a single applicant for that position, and I do not want to.

Mr. MURPHY: Surely my hon. friend would not take the attitude that for a position comprising part of the machinery of his department he is going to allow one or two outside bodies to define the duties of that position, and generally to disregard him in the appointment?

Mr. CALDER: That is our law.

Mr. MURPHY: No, that is not the law, I beg my hon. friend's pardon. Now, in connection with another department—in regard to which my hon. friend could get information from one of his colleagues—an incident happened, something similar to the one we are discussing, and my fear is that instead of having regard for the duties attaching to this position, and for the good that may be done by the person occupying it, there is danger that certain qualifications may be drafted which, like a suit of clothes or a hat or a pair of boots, will fit only one particular person, so that nobody else, no matter how much better qualified, may obtain the position. Hence my curiosity.

Mr. CALDER: That did not occur here, surely.

Mr. MURPHY: I hope not. I am curious to know why nobody was appointed out of these dozen applicants and why the position is to be re-advertised. The fact that my hon. friend says he does not know anything about the matter merely increases my suspicion that some busybodies—with whom long residence in Ottawa makes us fairly familiar, no matter which Government is in power—have been at work. In another department a job—not to put too fine a point upon it—has been "framed up" for a person who is not even a resident of this country, and the qualifications have been so drawn that they just apply to this

particular person and nobody else "would have a look in." Now, that is the point of my inquiry, and that is why I would like my hon. friend to obtain more details about this particular appointment than he seems to be in possession of to-day.

Mr. CLARK (Red Deer): I should like to be permitted to make one general observation. My hon. friend the minister, in a statement which I described at the time as very interesting, mentioned a "vigorous immigration policy," and he mentioned it for the purpose of putting a question to the committee: "What is a vigorous immigration policy?" I am not sure that the minister got anybody to tell him what was a vigorous immigration policy. His speech, as I pointed out at the time, was rather non-committal and it was non-committal on that point also. He indicated certain lines along which his policy would be vigorous, and he pointed out that his decisions along such lines would be flatly moved against by the governments of the countries in Europe where he was operating. Now, so far as the minister is opposed to what may popularly be considered a vigorous immigration policy, I am in agreement with him. I do not think that we need in Canada to-day a vigorous immigration policy. I hold very strong views upon this point. I have been nearly twenty years in Canada and I have profound faith in its possibilities for men and women who are worth having as citizens, and I hold the view that if this country is properly ruled—I am not now going into what I mean by that phrase: I will take an early opportunity of explaining my observations along that line, possibly in the Budget debate—if this country were properly ruled we should have a policy of immigration which was vigorous in the matter of effectiveness because every satisfied settler would be an immigration agent without salary. In short, that is my view on this matter. I think if we could send it out to the world, as we might very well be able to do, having regard to the gifts which Providence and nature have put in our hands, that Canada is the best country and the cheapest country and the country of greatest opportunity in the world to-day, we would get the very best classes of immigrants and get them very cheaply. Now I have said enough to indicate that if the minister himself is really opposed to a vigorous policy, I am in agreement with him. But when you come to analyze this question of vigorous immigration policy; when you come to analyze the word "vigorous," you might very well, as I have indicated, apply the word to an immigration policy if it was effective in getting good immigrants. But there is a vigorous side to the minister's policy—a very vigorous side, and it is a most unhealthy vigour because it is along the line of expense. I note that in these details of civil government, while the minister is actually restricting the immigration—and I think wisely; with regard to the general policy of his department I am agreed—there is an increase of $50,000 in the items of civil government over those of the previous year. I have tried to make my point of view clear: that if we have a non-vigorous policy with regard to the pushing of the advantages of Canada, then we should not have this vigour in expenditure. We preach economy and we all profess to believe in it, but I want to bring to bear upon the mind of the minister as one member of the Government—

3 p.m.

not wanting him to carry any more than his own particular share of the burden—that if we are going to economize in the expenditure of public money we have to begin somewhere. I would like to hear how the minister accounts for an increase of $50,000 in civil government alone. Altogether I think the department are spending about $2,000,000, and the department is a new one, created since the war. If we are going on extending our expenditures in this way, we may talk economy theoretically as long as we like, but we are rapidly running the country into a position of virtual insolvency. I have the utmost sympathy with the ministry with regard to how they are going to raise taxation in the coming Budget. I know their unparalleled efforts in the war, along with the unparalleled efforts of our people; no one has a higher appreciation of what Canada did in the war, and for all the expenses that the minister has been run into on that account I offer no criticism. But this is a different matter, and I submit to the minister that the last form in which he should be vigorous is in the form of expenditure in connection with a department which does not think it should pursue a vigorous policy along other lines.

Mr. CALDER: I shall deal now with only one or two of the points raised by my hon. friend. In the first place, I did not say the other day when I was addressing the House that I was opposed to the adoption of a vigorous immigration policy.

Mr. CLARK (Red Deer): No, my hon. friend was non-committal. He did not know what it was, so he could not say it.

Mr. CALDER: I stated that during the last two or three years the department and the Goverment had exercised all the power and influence it could to get certain classes of people into this country and that in that respect we were acting as vigorously and as energetically as we could. I would like to make that perfectly clear, in the first place. I stated, as well, that we were opposed to certain classes of people coming in at this time and that because of that the Government was put to a great deal of expense. I would say that fully half the work of the entire department in Ottawa has to do with all sorts of cases that arise in connection with people who are struggling to get into Canada. We have an enormous correspondence in that respect, a correspondence that must be taken care of. The hon. member for Red Deer would be the last to say that we should not have a sufficient staff here for that purpose. Again, there has been cast upon the Department of Immigration work that is entirely apart from any effort to get people into Canada. Let me give you a very simple illustration. This Parliament passed, not long ago, a new naturalization law. The Department of State, before it issues a certificate under that law, must know, in the case of every foreigner: when he came into Canada, where he entered, and, in general, whether the statements made in his application are true. As a consequence of that we have to keep complete and accurate records and have those records always readily available. We have had to change our whole system in that regard, and we have a staff constantly employed in furnishing that information to the Department of State. If we want to do away with that, well and good; if we want to have a repetition of the frauds that were committed in the past in connection with the issue of naturalization certificates, it would be very easy to do away with this work. I could cut down the expenditure by hundreds of thousands if this House would agree to it. Further: Some years ago Parliament turned over to the Department of Immigration the whole work of policing the entire border between Canada and the United States, for the purpose of keeping undesirable people out of the country. As a consequence of that, we have an expenditure of at least $500,000, if not $600,000 or $700,000, on account of this work alone. Thus it will be seen that our total expenditure, as shown in the Estimates for immigration, is not solely for the purpose of endeavouring to induce people to come in to Canada. Other duties and responsibilities have been thrown upon the department, which duties must be carried out as long as the law stands as it is. From my knowledge—and I think I have a fairly accurate knowledge—of the department, and the mass of detail work that must necessarily be carried out, I think I can say without fear of contradiction, that the Department of Immigration is not overstaffed. Many hon. members have some knowledge of the details of the work that is carried on in the department, and I am sure I am safe in stating that there are no unnecessary officials in that department. Where certain duties and responsibilities are thrown upon the department by statute, those duties must be carried out. It is most important that the mass of correspondence that reaches us from all parts of the country should be dealt with as promptly as possible. Since the beginning of this session, I have had instances with members of this House where some person was probably held up and debarred from entering Canada or another person was deported before there was an opportunity of dealing with the merits of the case, simply by reason of a short delay. It is necessary, therefore, that in the administration of a department like the Immigration Department, where you are dealing with the rights and obligations of individuals—their right to come in or the need of rejecting them—a sufficient staff should be on hand to enable the department to carry on the work as expeditiously as possible.

Mr. DAVIS: What is the system by which regard is kept of American immigration to Canada, and of immigration from Canada to the United States? It has been stated by the United States authorities that there is a very considerable difference between their records and ours, much to our disadvantage, and it seems to me there is a flaw, in that connection, either in their records or in ours. Perhaps the minister can offer some explanation.

Mr. CALDER: That is another case, where, if the House desires that information, it can be very easily arranged for. All that would be necessary would be simply to duplicate our staff, and instead of spending only five or six hundred thousand dollars on border work, to spend another five

or six hundred thousand dollars to keep tab on people who are leaving Canada.

Mr. DAVIS: Is that what the Americans do?

Mr. CALDER: They check everything going in. As regards people who are coming in to Canada as immigrants, to study in Canada, every one of those must fill out a card giving all particulars regarding himself, his birth, etc. Those are recorded here and kept on file for reference. If we are to provide measures that would keep a check on all people going out of Canada, that would simply mean duplicating our staff. We have just a sufficient staff to look after trains coming in and other means of entrance into Canada. Very few of our staff would be able to work on trains going out. Therefore, if we are to have reliable information as to the number of people leaving Canada permanently, we would have practically to duplicate that staff. Does the committee desire that an expenditure of three, four or five hundred thousand dollars should be made for that purpose? We have not attempted up to the present time to keep any record of that class.

Mr. JACOBS: We have given some figures to the public as to the number of Canadians who have left the country, and those figures do not tally with the figures given by the United States authorities.

Mr. CALDER: When were they given out?

Mr. JACOBS: About three months ago.

Mr. MURPHY: As I understand the minister's answer to the hon. member for Neepawa (Mr. Davis), if that gentleman or any other gentleman wanted information as to the number of people leaving Canada for the United States, that information could be got only from the American authorities.

Mr. CALDER: That is all;

Mr. MURPHY: We would, therefore, be dependent upon them for the accuracy of the figures.

Mr. JACOBS: Is that not sufficient? Surely the Americans will not cook their figures with regard to Canadians entering that country. Why spend half a million dollars to find out how many went out of Canada, if we can get that information from the Americans?

Mr. CALDER: That depends on the method by which their records are kept.

Mr. JACOBS: I presume they keep good records.

Mr. CALDER: Then, I presume we can depend upon their records.

Mr. DAVIS: I understand the Americans have a system of keeping track of incoming and outgoing persons, and their figures differ by many thousands from ours. What is wrong with our method of checking? Or what is wrong with theirs?

Mr. CALDER: I could not, of course, explain the matter without knowing how they keep their records. I know that on the whole, our records can be taken as being accurate. Supposing, however, a man is coming in from the United States, travelling on a train. He has a grip with him. The immigration officer sees him, and the man says: "I am going up to Canada only for a visit." As a matter of fact, he is coming into Canada permanently. He is simply lying, and he stays in Canada. That man is not recorded, because he did not tell the truth to our officer. As regards all persons coming into Canada from the United States or abroad, if they will tell the truth when they are coming in, their statements are recorded accurately, and we know exactly the number of immigrants. I use the word "immigrant" as applying to a person coming to Canada for the first time to stay in Canada, and our figures as regards the number of immigrants are, on the whole, accurate. There may be a number who slip past our officers and who continue to stay in Canada, whom we do not catch at all. There may be some who state that they are coming in to stay, who do not stay, but who leave Canada within a short period, and in that respect, our figures will be inaccurate. These things cannot be controlled.

Mr. DAVIS: The substance of the minister's statement is that he does not know what the American system is by which they get different results from ours.

Mr. CALDER: That is right.

The CHAIRMAN: Salaries of agents and employees—

Mr. REID (Mackenzie): The minister stated that our immigration officials work on the trains. If they worked on a train going one way—

The CHAIRMAN: The work and salaries of agents and employees in the Outside Service are included in the item which the Chairman has been attempting to place before the committee. Hon. members persist in discussing this matter on the item

now before the committee, and in doing so, they are not in order. If the hon. member will permit me to read the next item, his question will be perfectly in order.

Mr. DAVIS: The fault, in a sense, is mine and not that of the hon. member for Mackenzie (Mr. Reid). I understood that this was an item by which the immigration staff kept their records. That is what we are inquiring about and, therefore, the discussion distinctly comes under the item which we are considering. The minister, at least, referred to it in that sense.

The CHAIRMAN: The hon. member for Neepawa was quite in order, because his question related to the keeping of the records at Ottawa. Immediately after the question had been asked, the discussion wandered to the work of agents and employees at the border and the manner in which the statistics are kept. All that comes under item No. 52. The question was quite in order, but the subsequent discussion was not relevant.

Mr. CLARK (Red Deer): As regards your ruling, Sir, may I appeal to your leniency just a little by reminding you of the fact that the Immigration Estimates have taken a rather peculiar course? When the minister introduced his Estimates, he made a very long and most interesting statement, and he appealed to the committee for a debate; in fact, he rather courted a debate upon his statements. And, then, very suddenly, at a certain period of the evening, he withdrew his Estimates in the middle of the debate which he himself had started. As far as I know, that debate has not been continued, and I should very respectfully suggest that perhaps a little liberty should be allowed to us in view of the peculiar course the debate has taken, and that the minister should not be altogether baulked in his wish to have his own mind broadened by communications of reasonable length from the committee in regard to the subject.

The CHAIRMAN: The Chairman, of course, is entirely in the hands of the committee, and if it is the unanimous desire of the committee that the debate should be continued and that the questions and answers should be of a general nature and relate to all subjects that could properly be discussed under the Estimates of the Department of Immigration, the Chairman certainly has no objection, but as we are starting a new day, and no mention of the debate had been made, the Chairman felt it his duty to keep the committee to the respective items under consideration.

[The Chairman.]

Mr. CALDER: I would like to suggest that if this item be allowed to pass, the next vote is a general one, covering all our Outside Services, and it would give the widest latitude for discussion. The next vote is of such a nature as to open up the whole subject.

Mr. CLARK (Red Deer): I did not mean anything so wicked as to re-open the whole debate. I am sure the minister does not take me for an obstructionist, but I think a few remarks that are perhaps a little wide of the item under discussion should be allowed. We shall get on all right.

Mr. REID (Mackenzie): I was not going to ask a question, but to make an explanation. I would not have asked my question if the minister had not mentioned the matter. What I had intended to do was to state to the House that I had before me the annual report of the Commissioner General of Immigration of the United States, which sets forth the number of immigrants we lose to the United States, but if it is not in order to bring that matter up now, and I shall have an opportunity later, I shall bow to your ruling, Mr. Chairman.

Mr. JACOBS: I would like some information with regard to the salary of the Exhibit Decorator. Last year he was down at $900, and this year he is down at $1,320. Who and what is the Exhibit Decorator? What are his duties?

Mr. CALDER: He is one of the officials of the Exhibition Branch of the department. It appears that this man was appointed under the old regulations as a member of the Inside Service at Ottawa; otherwise, he would appear in the Estimates with the rest of the exhibition staff. There has grown up some old practice that I could never quite get to the bottom of, that if a man was once appointed to the Inside Service at Ottawa, there was always a struggle to retain him in the Estimates. This man is a decorator. I presume that his time is occupied in arranging display exhibits, which require a certain amount of painting or fixing up.

Mr. JACOBS: Do I understand that we want to decorate and exhibit our immigrants? I do not understand exactly what his duties are.

Mr. CALDER: There is an Exhibition Branch in the department. It was formerly in the Department of Agriculture, but has been transferred to the Immigration Department. It has a staff of about five or six.

Mr. LEMIEUX: Exhibits, I suppose, such as they have at the Windsor station, Montreal?

Mr. CALDER: Yes. The time of the staff is spent in arranging exhibits on a small scale. The staff has prepared exhibits for 100 state and county fairs in the United States, if I am not mistaken, and it has also prepared a good many small exhibits for what they call the one-day fairs in Great Britain.

Mr. JACOBS: This man's salary has been raised from $900 to $1,320.

Mr. CALDER: That is about the average increase; about 50 per cent.

Mr. LEMIEUX: Personally, I approve of this expenditure. I have seen some of the exhibits that have been prepared by this staff at the various exhibitions in Europe in which Canada has taken part. I particularly remember the one at Brussels. The Canadian exhibit there was certainly the sensation of the exhibition. It consisted of the reproduction of a farm in Western Canada, with all the necessary appurtenances, and if there were not ten or fifteen thousand people around that exhibit every day, there was not one. It was certainly the feature of that great exhibition. We have on a smaller scale an exhibit of somewhat the same nature at the Canadian Pacific Railway's Windsor Station, Montreal. These exhibits certainly appeal to the would-be immigrant. In London, England, the Canadian Immigration Office, near the statue of Charles the First, in Charing Cross, has exhibits which are most attractive to the people. You can never pass by without seeing a crowd of people in front of the exhibits, making comments on the happiness that awaits those who come to this country.

Mr. JACOBS: If they can get in.

Mr. LEMIEUX: I would like to ask the minister a question regarding the inspectors of British Immigration. Are those inspectors located in Canada or in Great Britain? It seems to me that in view of the large number of immigrants coming to this country from the British Isles, the proper place to have them examined would be at the ports in Great Britain. Why should you force an immigrant to cross the Atlantic, only to be rejected at Quebec, Halifax or St. John? There might be difficulties in having our own agents at ports in foreign countries, such as Holland, Italy or Austria, although there should not be any very great difficulty even there, but certainly as regards Great Britain I think our inspectors, and particularly our medical inspectors, should be located at the chief ports on the other side, and there pass definitely on who should be admitted to this country. It seems cruel to let an immigrant cross the ocean, detain him at the port of entry, and ship him back to the Old Country, when the whole thing could be avoided if the examination were made on the other side. I repeat, it might be a little more difficult to adopt this system in foreign countries, but surely arrangements could be made for having the examination of British immigrants take place at ports in Great Britain.

Mr. CALDER: This is a matter that has been up for discussion many times. Personally, I should like very much to see the suggestion that has been made by the hon. member for Maisonneuve (Mr. Lemieux) carried out. But I can assure the committee that it bristles with many difficulties. I fear that if we undertook to carry on all the inspectional work that would be necessary on the other side the Government would have to come to the House again for another item of probably $200,000 or $300,000 in order to meet the expenses that would be involved. The Australian colonies tried that method and dropped it because they found it was very expensive and unsatisfactory. We have tried partially to meet the situation, and when I was overseas this year I took the matter up with the officials of the British Government as well as with our own officials there. We have sent representatives from the Health Department to Great Britain and they have got in close touch with the medical officers of the Board of Trade, who play a part in this work, as well as with the medical officers of the steamship companies. Many conferences have been held, and the medical officers over there have received information which they never had before in regard to the working out of our law and the requirements thereof. In addition to that we have given our agents on the other side authority, to a limited extent, to make use of the medical practitioners in Great Britain for the purpose of preliminary examination. As a result of these two actions

I am inclined to think that a good deal of the hardship that has prevailed in the past will be obviated. My officers tell me that since the visits of our medical officers to British ports—the first visit was made about six months ago—the number of hardship cases has been materially reduced, and I believe that if our work proceeds along that line there will not be as much difficulty as there has been in the past.

Item agreed to.

Salaries of Agents and Employees, Outside Service; Canada, $425,000, Great Britain and Europe $115,000, United States $80,000, $620,000.

Mr. REID (Mackenzie): In regard to the number of immigrants which we have lost to the United States, I have collected certain statistics which I desire to give to the committee.

The following figures are taken from the Annual Report, for the year 1920, of the Commissioner General of Immigration of the United States:

	Year ending June 30 1918-19	1919-20
United States to Canada—		
United States citizens ..	30,223	36,511
Canadian citizens..	9,765	7,953
Other aliens..	4.015	4,160
Total..	44,003	48,624
Canada to United States—		
United States citizens ..	22,441	19,504
Canadian citizens..	44,110	72,994
Other aliens..	29,524	51,345
Total..	96,075	143,843
Total immigration from United States..	44,003	48,624
Total emigration, Canada to United States..	96,075	143,843
Net loss to Canada..	52,072	95,219

I do not know why the report of the Commissioner General of Immigration of the United States is not to be found in the Library of Parliament. It is an important volume and should be available. I would direct the attention of the minister to a clipping from the Winnipeg Free Press which I shall read. It was handed to me on the train, when I was returning from the West during the Easter recess, by an English medical doctor who has been travelling in Canada. This gentleman, whose card I have, is Dr. Charles Hawkins, and the cable despatch from London, dated March 31, which he brought to my attention, reads:

The Canadian steamship companies here say that they are receiving from 12 to 15 cancellations daily for passages to Canada, which have been booked by prospective emigrants from the British Isles, the reason given being the continuation of the restriction requiring the increased amount of landing money, which was recently decided upon by the Canadian cabinet. The Canadian immigration authorities here are said to favor this action in so far as it affects continental immigration, but it would appear that it might well be modified in the case of Britishers. It hits hardest those who had booked their passages and made their arrangements before the landing money requirement was altered. Now some of these people find that they cannot go and hence are cancelling their passages daily, much to the discomfiture of the Canadian railway and steamship companies.

Dr. Hawkins told me that he had positive knowledge of a great many immigrants who were cancelling their passages to Canada and who he assured me were agriculturists and farm labourers. Instead of coming to Canada they were re-booking their passages to Australia. I see the minister smiles; no doubt he knows all about it. Well, if such is the case, I think it is most unfortunate that we should lose immigrants of this class. In my opinion, if the British agriculturist and farm labourer have not even $25 in their possession we should welcome them.

Mr. CALDER: If I may interrupt the hon. member, I can save the time of the committee. The $250 that we require of immigrants is not asked for in the case of agriculturists and agricultural labourers. No farmer, farm labourer, or domestic coming to Canada is required to have $250.

Mr. CRERAR: To what class does the regulation apply?

Mr. CALDER: To skilled and unskilled labour, particularly the artisan class.

Mr. REID (Mackenzie): May I ask then how this information has got abroad?

Mr. CALDER: You see some funny things in the press at times.

Mr. McMASTER: Hear, hear.

Mr. REID (Mackenzie): I have this gentleman's card here and he assures me this is quite correct.

Mr. CALDER: He was absolutely mistaken.

Mr. REID (Mackenzie): I must take the minister's word and I am glad to hear him make the statement. I was very much surprised at what was told me. There is another matter to which I wish to draw the attention of the minister. I have here a booklet published by J. Obed Smith in which he makes the statement that immi-

grants coming to Canada cost us $6 per head. Does the minister confirm that statement?

Mr. CALDER: I should put it for last year at $5.

Mr. REID (Mackenzie): That is a very low figure, but does the minister deduct the emigrants that we lose to the United States? That would make a different showing altogether, would it not? Mr. Smith, our immigrant official in the Old Country, makes some very good recommendations in the booklet to which I have already referred, which no doubt the minister has read. Mr. Smith states that after our immigrants land at the port of debarkation the train accommodation is very often not what it ought to be. I know that thirty-nine years ago the accommodation on the railway was not what it should have been and I speak from experience. Mr. Smith also recommends that on every one of our immigration cars, usually known as colonist cars, an official should be placed, and I think the recommendation is a very good one. Perhaps the minister will see what can be done in that direction so that our immigrants shall not be preyed upon at very many stations where they stop to purchase goods. Furthermore, when our immigrants reach the city of Winnipeg they are turned loose very often. I would like to ask the minister if he has any policy whereby the immigrants can be taken care of from the time they leave the port of debarkation until they reach their destination—whether they are going to work for some farmer or whether they are going to locate right away on land either purchased or homesteaded. Does not the minister think some improvement can be effected along the line of taking care of our immigrants, something of a similar nature to that which has been adopted by the Soldier Settlement Board?

Mr. CALDER: I would be only too glad to put into operation a whole series of improvements I have in mind along these lines. No person comprehends the necessity or value of that more than I do; but again I would say that these things cost money. On the one hand you have members of Parliament complaining most bitterly of the increased cost of government, the increased expenditures, and so on. There are very many improvements that could be made in many departments of government but, I say again, they cost money. Now to put into being an organization that will look after the immigrant who comes into Canada, in every province of the Dominion, follow him up, see that he is placed, and all that sort of thing, would mean a staff of one hundred or probably one hundred and fifty. These people scatter all over the Dominion, and to follow them through on every train, see that they are properly placed on farms, in factories, and elsewhere, see if they are contented, and all that sort of thing, would necessitate a staff of one hundred or one hundred and fifty and the cost to the country for salaries alone would reach probably $150,000 or $200,000. A very good thing—very helpful and good for the immigrant and for Canada—but, I say again, it costs money. If the House is prepared to vote the money for such a purpose, and for other work as well, I would be only too glad.

Mr. JACOBS: Better to spend money for that purpose than to give it to the provinces to spend for roads.

Mr. REID (Mackenzie): As a business proposition I would draw the minister's attention to the larger flow of immigrants from Canada to the United States as compared with the flow of immigrants from the United States to Canada. The net loss for the year 1918-19 was in round numbers 52,000, and for the year 1919-20 approximately 95,000. If these immigrants only cost us $5 or $6 a head they are well worth keeping in the country, especially when we realize the high value placed by the Canadian Pacific Railway on a farmer or immigrant who settles along any of its lines of railway.

Mr. CALDER: I am not going to question the figures given by my hon. friend—they have been discussed backwards and forwards every year for the past ten years. There would be only one way probably of finding out the truth and that is by the census. When the census is taken we will know exactly what the figures are—we will have our immigration figures for the last ten years, and we shall know as to whether or not these figures are correct. Looking at the position in Canada to-day, in so far as the urban population is concerned, does my hon. friend mean to say there has been a decrease in that population? There is no city in Canada that is not overcrowded to the extent that people cannot get houses to live in. Take the situation as regards the rural population of Canada. There

have been here and there certain decreases; but I doubt very much if, on the whole, the rural population of Canada has decreased in the last decade. I say that on the whole you will find places where there has been some decrease, I daresay there has been a change in the proportion between the rural and the urban population; but if you will take our total rural populations as shown at the last census I doubt very much, when we ascertain what the new figures are, if you will find any material discrepancy there.

Mr. JACOBS: There is the natural increase.

Mr. CALDER: I think it will be found that there is a very material increase.

Mr. JACOBS: I said there has been a natural increase.

Mr. CALDER: Oh, more than the natural increase because you can estimate that. As regards our urban population, our cities, throughout Canada from coast to coast, are simply teeming with people—they simply cannot find places to live in. So I say, there is only one way eventually whereby we will be able to check up these increases and that is through the census in both countries.

Mr. ARMSTRONG (Lambton): I wish to ask the minister whether he, as Minister of Immigration, and the Government, have considered a vigorous immigration policy whereby selected immigrants may be placed along the line of the national railways and if so has he anything to say with regard to it?

Mr. CAHILL: Hear, hear.

Mr. CALDER: Of course our whole policy, in so far as agriculturists are concerned, is to bring as many of that class as possible to Canada. We have not, I may say, directed our attention to placing these people along the Transcontinental and the Canadian Northern railways here in Ontario—that has not been done.

Mr. CAHILL: Why not?

Mr. CALDER: That has not been done with the exception of certain people who came from the eastern part of the United States, a number of French Canadians, who are being repatriated. Many of them have gone up into those northern regions, but outside of that we have not directed our attention along those particular lines.

[Mr. Calder.]

Mr. ARMSTRONG (Lambton): I did not mean particularly along the lines of railway in the province of Ontario; I had reference to the western provinces also. Would not such a policy be worthy of the serious consideration of the Government?

Mr. CALDER: Yes, I think so.

Mr. REID (Mackenzie): I would like to draw the minister's attention to the work done in the early eighties by the colonization companies in the western provinces, or what at that time the North West Territories. I was one of the immigrants who settled upon the land as a result of colonization work of this kind, and I know that these companies did very good work indeed. Of course some of them were not a success; but the York Farmers' Colonization Company, of which the minister has no doubt heard, occupied itself with settlement in the Yorkton district. Such a company as that was a very great benefit to the settlers, and its local agent helped them in the purchase of their supplies. Such a company as that was of very great benefit to the settlers. They were also given local land agents, and the settlers were able to make their homestead entries right in the township where they made their selection. I know of some immigrants who settled outside what was at that time known as the Yorkton land district, and they had to go all the way to Regina, or Pile o'Bones, as it was known then, to make their entries, a distance of 135 miles. If some such scheme as that was evolved, I am sure that benefits would result in our favour. Just a word about our immigration officials who work on the trains. I presume they meet the trains at the border coming in from the United States. They must travel back on the trains, say, from Winnipeg as one point, to meet the trains again. If they worked on the trains incoming, why could they not check up the people on the outgoing trains? That may be possible.

Mr. CRERAR: Can my hon. friend give the figures of the total immigration during the last decade?

Mr. CALDER: I gave figures to the House for the five-year periods from 1896 down to 1911, then for the three following years and for the last three years. Those figures will all be found in Hansard.

Mr. CRERAR: I shall look them up.

Mr. GRIESBACH: I should like to take advantage on this item, Mr. Chairman, of

the invitation extended by the minister to discuss generally the question of immigration and to put forward certain views which I hold and which I believe are held by a great many people in this country. Immigration is a very large question, for the reason that some nine million of us occupy a country which is over three million seven hundred thousand square miles in area, and we are distributed in a most extraordinary fashion, for we occupy a ribbon of territory not more than 300 miles wide at any point stretching from coast to coast. And this great country is capable of maintaining without difficulty a population of two or three hundred million people. If we are to become a great nation we must have population. On the other hand, many people regard unrestricted immigration, particularly of foreigners, with grave apprehension. The question is viewed from four standpoints—the sentimental, the patriotic, the humanitarian, and the material. While some hold that it is dangerous to allow too many foreigners to come in, there are others who take the humanitarian view that we have no right to restrict immigration into a country of such vast area and such boundless natural resources, especially while other countries are overcrowded and congested. And there are those who take the material point of view, that for the purpose of exploiting our resources and developing the country the more immigrants we bring in the better. A variety of causes superinduce immigration, being chiefly the following: industrial depression, political oppression, religious persecution, poverty at home, and prosperity here, the solicitation of friends and relations here, employment agencies, facility of transport, solicitation of steamship companies, assisted emigration, and epidemics.

In considering the people who come to this country of foreign blood, we have to consider them in the light of possible amalgamation in the future or immediate assimilation. Amalgamation is defined as that process which occurs when, by reason of proximity, nations grow together by intermarriage, a process which takes hundreds of years. The best example of this is perhaps the British race itself, the last immigrants having arrived in the British Isles somewhere about 1066. The process of amalgamation has gone forward steadily and as a result a type has been produced. We are not particularly concerned for the next two or three hundred years at least with the process of amalgamation, but we are concerned with the process of assimilation, which is defined as that process whereby immigrants may learn to speak our language, understand our customs, and the working of our political machinery, whereby they may take their places with us upon terms of equality. But it may be laid down that the process of assimilation is rendered slow and difficult or quick and easy precisely in the proportion which the foreign element bears to the British element. That, I think, is fairly obvious. If we have one foreigner living among four men of British blood,—surrounded, so to speak, by men of the British race—the process of assimilation will be quick and easy; but if we have, say, two foreigners, to three men of British blood the process is slower, and the number that can be assimilated is necessarily smaller, until the time might come when by the increase of the percentage of persons of foreign birth the process of Canadianization might come to a standstill, and that of "foreignization" might begin.

I recognize the virtues of the foreigners who have come to us in the past, particularly those who settled upon the western prairies and who came to us with practically nothing but their ability to work. They have made a great success, they have increased agricultural production, and they are slowly but surely climbing up the social and cultural ladder. But there are certain statistics which cannot be denied, and I desire to place them upon Hansard because I believe they are worthy of study by our people. I will take first the immigration between the years 1900 and 1910, arranged to show the immigration of the British born and the foreign born, with the total and the percentages thereof. These are the figures:

Year	British born	Foreign born	Total
1900..	5,141	18,754	23,895
1901..	18,810	37,339	56,149
1902..	17,259	50,120	67,379
1903..	41,792	86,572	128,364
1904..	50,374	79,957	130,331
1905..	65,359	80,907	146,266
1906..	86,796	102,268	189,064
1907..	55,791	68,876	124,667
1908..	120,182	142,287	262,469
1909..	52,901	94,007	146,908
1910..	59,790	149,004	208,794
	574,195	910,091	1,484,286

Now, that immigration had a certain effect upon the population of this country. I have obtained from the Dominion Statistician the figures as to the number of persons in Canada of British descent, French descent and foreign descent, in 1901 and 1911 respectively. They are as follows:

	1901 Per cent	1911 Per cent
British descent..	57.03	54,08
French descent..	30.71	28.51
Foreign descent..	14.46	17.40

In other words, during that decade the number of persons in Canada of British descent fell three points; the number of persons in Canada of French descent fell two points, and the number of persons of foreign descent increased by something like 4 per cent.

Mr. CAHILL: Has the hon. member any statistics with regard to people of Canadian descent?

Mr. GRIESBACH: The Dominion statistics give only, as a matter of policy I believe, the racial descent of the individual. I give the figures as furnished to me by the Chief Statistician. I will now read the figures of immigration for each of the years in the following decade, from 1911 to 1920. In this case the number of immigrants from the United States each year is shown:

Year	British Isles	United States	Other Countries	Totals
1911.. ..	123,013	121,451	66,620	311,084
1912.. ..	128,121	133,710	82,406	354,237
1913.. ..	150,542	139,009	112,881	402,432
1914.. ..	142,622	107,530	134,726	384,878
1915.. ..	43,276	59,779	41,734	144,789
1916.. ..	8,664	36,937	2,936	48,537
1917.. ..	8,282	61,389	5,703	75,374
1918.. ..	3,178	71,314	4,582	79,074
1919.. ..	9,914	40,715	7,073	57,702
1920.. ..	59,603	49,656	8,077	117,336
	687,215	821,490	466,738	1,975,443

The totals show: British immigration 687,215; foreign immigration 1,288,228; total, 1,975,443 or 32 per cent British and 68 per cent foreign. Contrasting these figures with those of the previous decade, which showed a falling off in the numbers of persons of British and French descent and a substantial increase in the number of persons of foreign descent, it is reasonable to assume that the census of 1921 will disclose that there has been a still further falling off of the British element in this country with a very substantial increase of the foreign element.

Mr. CLARK (Red Deer): Of course my hon. friend recognizes that the war was a potent influence in producing the results shown by his figures.

Mr. GRIESBACH: Quite so, I am not discussing now the cause; I am merely pointing out the result. I should like to read in this connection an extract from a book entitled "Races and Immigrants in America" by John R. Commons, page 198, where he quotes Francis A. Walker, the leading American statistician of his time, and superintendent of the census of 1870 and 1880. He said:

"Foreign immigration into this country has, from the time it first assumed large proportions, amounted not to a reinforcement of our population, but a replacement of native by foreign stock. The American shrank from the industrial competition thus thrust upon him. He was unwilling himself to engage in the lowest kind of day labour with these new elements of population; he was even more unwilling to bring sons and daughters into the world to enter into that competition. The more rapidly foreigners came into the United States, the smaller was the rate of increase, not merely among the native population separately, but throughout the population of the country as a whole," including the descendants of the earlier foreign immigrants.

I should like to read also an extract from a book on "Immigration and its Effects upon the United States," by Prescott F. Hall, in which he states at page 176:

A democracy, to be a success—and we are trying it here on a hitherto unprecedented scale—depends on the intelligence of the average citizen. Wherever civic intelligence and initiative are low, democracy becomes impossible and oligarchy or an empire takes its place. The United States has had to suffer and is still suffering untold miseries from the reckless introduction for purposes of material gain of an alien people, to wit, the African negro.

The same arguments were used for the admission of negro slaves that are now used for the admission of the cheapest European and Asiatic labour. Wherever a superior and an inferior race are brought together, one must rule; and one will withdraw itself socially and politically from the other. When this happens universal democracy ceases to exist, and no amount of preaching the rights of men or any other theoretical considerations will modify the result. As Professor Shaler has said, this result has already happened in the South; and in the North, society is beginning to experience a social stratification which is breaking up its formal homogeneity, and, as we saw above, is affecting profoundly the matter of race survival.

I read these extracts in connection with the figures that I have just read, in order to point out that there is a real danger of the submersion of the civilization for which we stand, the institutions which we hold to, by the introduction through immigration of people who do not understand our language, who do not understand our customs, who know nothing of our traditions and who have borne no part in the creation of those traditions.

But in addition to that there are some other facts that are well worthy of the consideration of the committee. I have in my hand some statistics supplied to me by the Dominion Statistician on April 26, last, in which he gives me convictions by birth-

places in 1913. He gives me the population and three crimes, with all indictable offences lumped together. The population by birthplaces is for 1911, but the statistics are for 1913. These are the figures:

Convictions by Birth Places, 1913.

Population by Birth Places 1911		Murder	Attempted Murder	Manslaughter	All Indictable Offences
Born in Canada..	5,619,682	5	6	16	7,619
Born in British Isles..	784,526	8	2	3	2,983
Born in other British possessions.	29,188	..	1	..	87
Born in United States	303,680	1	7	3	1,216
Born in other foreign countries ..	449,052	9	13	18	2,674

These figures work out in this way. The British and Canadian-born represent 6,433,396 of the population, and he foreign-born, 752,732. The foreign-born in 1913 constituted 13 per cent of the whole population, and that 13 per cent of our population supplied us with 34 per cent of the crime for that year.

These are further statistics supplied to me by the Dominion Statistician on April 26, 1921, for crime in Canada for the decade from 1911 to 1921:

	Percentage of population	Percentage of crime
Canadian and British-born in Canada...	89	74.5
Foreign-born in Canada..	11	25.5
	100	100.0

Penitentiary Population 1904.
Annual Report, Inspector of Penitentiaries, Sessional Paper No 34A 1905.

	Population Per cent	Penitentiary population	Per cent
Canadian and British-born..	89	1,094	82
Foreign-born	11	234	18
	100	1,328	100

If these figures had stood by themselves without referring to any other country, one might have looked for certain contributory causes; but I have taken the trouble to go into American statistics on the same subject, and I find, in reading from Prescott F. Hall's book on "Immigration, and its Effects upon the United States," page 147, that these statistics are given for five decades:

Decade	Native-born in population Per cent	Native-born Criminals Per cent	Foreign-born in population Per cent	Moreign-born Criminals Per cent
1850	90.32	64.21	9.08	35.79
1860	86.84	53.14	13.16	46.86
1870	85.56	73.47	14.44	26.53
1880	86,68	78.15	13.32	21.85
1890	85.23	79.91	14.77	20.09

It is to be noted that the percentage of criminality increases in native-born and decreases in foreign-born. At first glance one would say that that was a healthy sign in the foreigner. His percentage of population creeps up in that period from 9.08 per cent to 14.77 per cent, and his percentage of crime falls off in that period from 35.79 per cent to 20.09 per cent. The point I wish to make, however, by these statistics is that the foreign-born population in each generation is being absorbed into the native-born population of the United States, and it is having its effect there. This is manifested by the fact that in 1850, 90 per cent of the native-born population had 64 per cent of the criminality. That native-born population had decreased in 1890 to 85 per cent and the criminality had increased to 79.91 per cent, showing, in my belief, that the population of the United States has been strongly affected in the matter of criminality by the introduction of this foreign element into the native stock.

The statistics with regard to charitable institutions, hospitals and lunatic asylums bear a class ratio, not only in Canada, but in the United States. In a report from the United States Commissioner General of Immigration, for 1906, at page 62, these facts are stated: In 1900 in the United States, the foreign-born population was 14 per cent of the whole. In 1904, they supplied to public penal, reformatory and charitable institutions of the United States 28 per cent of the inmates. In other words, the tendency of the foreign-born to crime is twice as great as that of the native-born.

I spoke a moment ago of the introduction of these people and their gradual assimilation amongst us, and the profound effect which that must have upon us and our institutions. It has a political effect, in that the towns dominate the country, and in the United States 18 out of 37 of their larger cities are to-day dominated by the foreign-born. According to statistics in last night's press report there are 2,000,000 foreign-born people in New York, the percentage of foreign-born in that city being 34 per cent.

There has been some discussion of a policy of immigration, and as to the cost of immigration, and so on. I believe it will be admitted by all concerned that our problem is not a problem of getting people to come here, for the whole world is willing to come to Canada if it can get here; our problem is cautiously to admit those who are fit to come here. In an article by Kenneth L. Roberts in the Saturday Evening Post of a few days ago, there is a long discussion of the situation in Europe, and its effect on immigration to the United States: I am told that the United States has just recently passed a law, or is about to pass a law, restricting the number of immigrants admitted to that country to 365,000 per year. There can be only two forms of restriction; restriction by numbers, and restriction by classification or qualification. It may happen, and it probably will, that restriction by classification or qualification will in the end produce numbers that we did not expect, and that we shall be unable to deal with. I shall just read the concluding paragraphs of this article I have referred to.

"All of the lines", he told me early in 1921, "are preparing for greatly increased emigrant business. In the spring they are going to tap new districts for passengers. They are preparing additional emigrant hotel, barrack and quarannttine-station facilities. These preparations are based on urgent messages from their agents in all the countries.

"As soon as Germany and Austria are opened for emigration the present flood will be greatly increased. When Russia is opened, then will come the deluge. The people who are coming are the lowest type of humanity that Europe can send. America has got to keep them out or suffer bitterly in the future."

Americans in Europe are warning their country against the classe of people that are pouring into it, just as they warned it that typhus would break out if a strict quarantine was not imposed. They know the situation, and every word of their warnings is true.

The warnings can never be made strong enough, because of the gravity of the situation and the limitations of the English language.

If no emergency exists for America in respect of immigration, the America that exists to-day is vastly different from the America of ten years ago.

In other parts of the article the writer goes on to describe the mental, moral and physical condition of these millions of people who are clamouring to get to this country if that be possible.

As a result of a study of these figures, I have reached certain conclusions. As I said at the outset, the process of amalgamation does not interest us at the moment. What we are interested in is the process of assimilation. I have adverted to the danger of bringing to this country people unacquainted with our system of government, with our institutions and our ideas, and placing our resources and the control of government in their hands. That is a project that is fraught with danger, and my view is this: I think we ought to fix a definite ratio, based on statistics, and we ought no to exceed that ratio. We can restrict either by numbers or by classification and qualification, but no matter by which method we seek to accomplish our end, the Government should have power arbitrarily to decide the moment when that limit is reached, and thereafter we should stand fast and deal with the situation as we have it, until it is dealt with completely. In the determination of this ratio, and in the process of assimilation, we shall have to consider as factors whether we are going to continue the policy of the past, which is the policy of standing still and doing nothing to educate or assimilate the foreigner, or whether, on the other hand, we shall adopt some comprehensive scheme of education which will aid the process of assimilation. If we decide that we shall do no more than we have done in the past, then the ratio we shall decide upon will be a certain figure. On the other hand, if we decide that we will undertake the forced assimilation of the foreigner by a process of education, then, of course, we can raise the ratio or the standard of qualification which may be decided upon.

In my judgment, we cannot look forward to an increased foreign immigration, based upon the figures which I have given, without grave apprehension and misgiving. We cannot look forward to an increased foreign immigration with any degree of satisfaction unless, in the first place, it is controlled and restricted, and unless, in the second place, we adopt a great nation-wide, all-embracing system of education, backed by all the power of the State. Last year I discussed this question very briefly in passing, and now I would say that I know of no plan or scheme of education that has been put forward which will assist or aid in assimilation save one. The churches are practically powerless; our educational system gets us nowhere; there is no plan before this country except the one I have mentioned which begins to measure up to the magnitude or importance of the task. The system which I would lay before the committee—a conclusion which I have arrived at quite independently of the solution itself, and based merely on these figures—is the plan of universal military service

which I laid before the House last year. There you have a scheme which is nation-wide, all-embracing, and backed by the supreme power of the State. From the operation of this system no person can escape. You would take your young foreigner at the age of 19, and at the ages of 19, 20, 21 and 22, four years, you would give him three months of military training each year, during which time he would learn to speak our language, keep himself clean, be obedient, and become disciplined. The duties of citizenship and its responsibilities would be impressed upon him, also the fact that he might some day be called upon to defend this country. There you have a system, and the only system that has been proposed, which I believe can adequately or effectively deal with this great problem of keeping the people of this country true to the ideals and traditions which have brought us thus far.

This is a great question. Our actions in this decade are more or less irrevocable. We cannot in this matter of the movement of people and population undo tomorrow what we may do to-day. Therefore, for the future happiness and greatness of this nation, let us hope that in this great matter we come to-day to a right conclusion.

Mr. CAHILL: The minister mentioned a few moments ago that he had been looking after colonization on the Transcontinental, and had expended a certain amount of money in the movement of French Canadians from the Eastern States and from the eastern part of the province of Quebec to the Transcontinental. I should like to ask the minister what part he has had in settling that section of the Transcontinental known as the Abitibi country. What assistance has he given to the colonization departments of the Quebec and Ontario Governments in locating settlers along the Transcontinental system in Northern Ontario and Northern Quebec?

Mr. CALDER: We have not given any direct assistance. In the eastern part of the United States we have our agencies at two centres, Manchester and Biddeford, where there is a fairly large French Canadian population that has been there for some years. Our officers at those two points have been in touch with the people, and, while I do not know the exact details, I have no doubt that hundreds if not thousands of people have been induced to return to Canada, some of whom doubtless must have been directed to those regions in Northern Ontario and Northern Quebec.

Mr. CAHILL: Has the minister ever been to the Northern Quebec district?

Mr. CALDER: No.

Mr. CAHILL: I asked the minister last year if he would be good enough to make a visit to Northern Quebec and I think he promised me at that time that he would make an effort to do so. The Department of Immigration seems to be at a standstill; so far as colonization is concerned it certainly is absolutely stagnant. There is an opportunity in Northern Quebec, and in Northern Ontario as well, for the execution of a vigorous colonization policy as well as for active work in regard to immigration, for the figures which the member for Mackenzie (Mr. Reid) has given are adverse to Canadian immigration. As the hon. member pointed out, we are losing more people than we are getting. We have been bringing in people for the last fifty years at a great cost to Canada, and we have not only lost every last man, woman and child of them, but we have also lost a portion of the Canadian people as well. We have lost more Canadians, either native born or those who came and settled in Canada, than we have brought to the country in that time, and the vital statistics will substantiate that statement. Within the last forty or fifty years, I venture to say, we have not retained our natural increase in Canadian population. There must be something wrong. In the period from 1901 to 1911 we made quite an advance in immigration and, as the minister is well aware, in colonization as well; but I do not believe we have made any progress in colonization since the close of that period, and we certainly made none previous to that time. During that period a policy was in vogue which aimed at bringing in to Canada, and putting on the land, all the people that we could get. But the Government since that time have adopted a different system. If the minister will go to the Abitibi country, as it is his duty to do, or, at least, if he will send his officials there to make a study of the conditions and the opportunities for settlement, he will be doing as good work for Canada as he can possibly do in any other direction. There is abundant opportunity in that district for the French Canadian settler to take up land, because the country appeals to him and he likes it. But he is not given a fair chance; he is not given the encouragement which he should have. The French Canadian is the only man that will settle in Northern Ontario and Northern Quebec,

and until we settle these districts our Transcontinental railway will be a failure.

Until you settle the great districts which are in need of population in Ontario, Quebec and the western provinces, you will continue to have railway difficulties. We have the land, the resources and the opportunities; all we need is a Minister of Immigration and Colonization with courage and foresight, a man who is anxious to bring people into the country and settle them on the land. The minister with such enterprise would render a great service to the country. But instead of that, the minister tells us, in so many words, that his time is taken up in keeping people out of the country; his remarks the other day were tantamount to that. There are thousands of people who want to come into Canada, but apparently the minister thinks it advisable to keep them out. He did not mention anything about a colonization policy, and in answer to an hon. member on the other side this afternoon, he made a statement to the effect that he had made no attempt at colonization in our northern country. The result of his policy and the general policy of the Government has been to drive people out of Canada. Every few days you may pick up the papers and find something about the Mennonites, or some other class of people in Western Canada, trying to locate elsewhere because they are not treated properly in Canada. They are living up to the understanding they had with the Government when they came in, but the Government of the day are not even attempting to fiulfil their end of the agreement. While it might not be desirable to bring in Mennonites, or Hutterites, or Doukhobors, or Galicians in numbers out of proportion to the balance of the population, yet I claim that they are good settlers and producers and would become good Canadians if given a chance. If my hon. friend had a policy to bring in people from Great Britain and the United States, and desirable people from Europe, and had some policy for their assimilation in Western and Northern Canada, he would at once be increasing the population of the country and adding to its productive capacity. Every man who has given any study to the railway problem to-day realizes that our greatest need, if we are to solve our difficulties, is a progressive immigration and colonization policy. It goes without saying that if the land tributary to the railways is not producing anything the railways cannot pay, and my hon. friend a few days ago held out no hope of any immigration or colonization. It seems to me that the minister simply throws up his hands and bewails the fact that he is helpless. Well, in that regard he is pretty much in the same position as the rest of the Governemnt; he is in good company. I wonder if his attention has been drawn to an article in MacLean's Magazine, by Fred V. Seibert, B.A.Sc., who deals with the colonization problem in Canada? This gentleman, apparently, has been in the Survey Department for some years and has given considerable study to the land settlement question in Canada. On page 8 of MacLean's Magazine for April, 1921, he says:

> Settlement needs directing force. There is weakness in our present system and urgent need of control to correct that weakness.

The article is well worth the attention of the minister, who should give more serious study to the question of immigration, and particularly of colonization. His time would be very much better occupied in a close study of these questions than in playing politics, because his political career, so far as the Government at least is concerned, is very nearly at an end. He could, however, make for himself a reputation as Minister of Immigration and Colonization if he set himself to the task. If the minister has no policy in regard to immigration, then we are to assume that the present muddled condition of our railways will continue, and it will be impossible for us to overcome our railway difficulties, and, in a few years, utterly impossible to pay our taxation and meet our other heavy obligations. There are thousands of people who would come to Canada and make good citizens, and when the minister says that there is no more homestead land I am afraid he is giving Canada rather bad advertising, because there are millions of acres of land that would be suitable for settlement in Western Canada and in Northern Ontario and Northern Quebec. And if it is necessary to build a few branch line railways to develop that country, I think the investment might be considered a good one. But the indiscriminate settlement of homesteaders is a policy I do not believe in. I am not now advocating the continuance of the policy of homesteading at all; a better policy might be worked out. I am satisfied that we could get hundreds of thousands of good people from the United States and across the seas who would make splendid settlers in this country and who would help discharge our burden and pay our interest charges and taxation for the next few years. I ex-

hort the minister to turn his attention more seriously to these important questions than he has done in the past.

Mr. BOYCE: I am surprised to hear the statements of the last speaker in regard to Northern Ontario. I think he has not been up in that part of the country or he would not have such a doleful tale to tell. He has found fault with the minister because there are no immigrants or other persons going into that country. Let me tell the hon. gentleman that I visited that part of Ontario twice during the last ten years and I noticed that a very great improvement had taken place. At New Liskeard a very fine town has sprung up. Within a radius of fifty or a hundred miles of Matheson and Cochrane, the country is very well settled. The hon. member (Mr. Cahill) has always a doleful tale to tell about something, and he may as well talk about this subject as anything else. He talks about Doukhobors and the like. There is no need to get Doukhobors to settle that country; any amount of good people are going in there—going about as quickly as they possibly can, and that is fairly quick too. I want to tell my hon. friend that there is a fine section of country up there, and ultimately it will be equal to some of the best districts in the older parts of Ontario. I would advise the hon. gentleman to try and assist the minister and the authorities to get people to settle in that northern country and not run it down.

Mr. CAHILL: I cannot allow that statement to pass unchallenged. I did not run the country down, I praised it very highly.

Mr. BOYCE: Now, take your medicine.

Mr. CAHILL: I do not wish to be misrepresented.

Mr. BOYCE: I have sat and listened to you time and time again and you were never happy unless you were abusing somebody.

Mr. CAHILL: Abusing the Government.

Mr. BOYCE: Yes, and I am going to abuse you and you will have to take it like a man. You are like myself; you are good natured enough and you are not going to get vexed about it. I say: Be a man and help Canada all you possibly can; let us all work together shoulder to shoulder and then we will make a success of the development of this country. If we all do what we ought to do, we will make New Ontario a fine part of this Dominion. I do not like to hear any man run down his country; I do not like a bird that befouls its own nest.

Item agreed to.

Mr. CALDER: There are only one or two items left but I am very sorry that I have to leave now. However, the items are minor ones and we can deal with them later on. Earlier in the afternoon the leader of the Opposition asked if it was the intention of the Finance Minister to lay on the Table the report of the Tariff Committee and the Minister of Railways stated he would give a reply before the House rose this afternoon. I am to advise the House that no such report will be laid on the Table before Monday next. I now beg to move that further consideration of the Estimates of the Department of Immigration and Colonization be postponed.

Motion agreed to.

Department of Customs and Inland Revenue, $532,947.50; Contingencies, $48,000.

Mr. LEMIEUX: When was the Minister of Customs officially installed in the department? When did he assume the duties of the office after his election?

Hon. R. W. WIGMORE (Minister of Customs and Inland Revenue): In answer to the hon. gentleman, I think about July 14.

Mr. LEMIEUX: July, 1920?

Mr. WIGMORE: Yes.

Mr. LEMIEUX: When did the election take place in St. John?

Mr. WIGMORE: I think about September 20, 1920.

Mr. LEMIEUX: I would like to ask my hon. friend if he belongs to the firm of Nagle & Wigmore?

Mr. WIGMORE: I did; I was a member.

Mr. LEMIEUX: Is the hon. gentleman still a member?

Mr. WIGMORE: No.

Mr. LEMIEUX: Until when was he a member of that firm?

Mr. WIGMORE: Until—the exact date I could not say—within three months ago.

Mr. LEMIEUX: In his dual capacity of Minister of Customs and member of the firm of Nagle & Wigmore, did the hon. gentleman write any letters concerning the business of his firm?

Mr. WIGMORE: Mr. Chairman, I think the item under discussion is an item in connection with the Estimates. I do not know that my hon. friend's question has anything to do with the business before the House. I ask for your ruling, Mr. Chairman.

Mr. LEMIEUX: I think I am within the rules in questioning the hon. gentleman as regards the administration of his department.

Mr. STEVENS: Before the minister rose I was about to rise myself. I must say that the questioning of the hon. gentleman seemed to me to be most intimately personal. I have no idea what he is driving at but I submit to you, Sir, that no minister of the Crown, or no member of the House, should be subjected to personal interrogation regarding his private connections unless such interrogation is preceded by a specific charge of some kind affecting the public interest. If such a charge is made in the usual way by an hon. gentleman, upon his responsibility as a member of the House, then it seems to me that no one can object to the interrogation; but I submit to you, Sir, and to my hon. friend who is doing the interrogating, that it is scarcely fair—certainly not to the committee and I hardly think to the minister himself—to pursue these questions without we on both sides of the House knowing the object, and the purpose, and the basis of the personal interrogations.

The CHAIRMAN (Mr. Douglas, Strathcona): I would ask the hon. member for Maisonneuve, if he is going to pursue this course of interrogation any further, to show what bearing it has upon the Estimates in question. If he is leading up to some question bearing on the Estimates, then I do not think that he would be out of order.

Mr. LEMIEUX: Mr. Chairman, we are studying the various items of the Customs Department, and that department is under the direction of the hon. minister who is in his seat. What I wish to call his attention to is the fact that he should do one thing or the other—either attend to the business of the department solely, or to his private business, but not use the Customs Department as a means to advertise his own firm. If the Chairman rules that the question is out of order, there are other means to bring it before the House, but I believe that as we are dealing with the Customs Department, I have the right to question the mode of administration pursued by the hon. gentleman. This is what I wanted to refresh the memory of the minister for, Mr. Chairman. I am informed that since the hon. gentleman took over the administration of his department he has been writing letters right and left in order to promote the business of the firm to which he belongs. To be fair to him, I will read the letter I have in my hand.

Mr. MORPHY: Order.

Mr. LEMIEUX: I first asked him on what date he had taken charge of the department. He said it was in the month of July, that his re-election took place in September, and that he severed his connection with his firm a few weeks ago.

Mr. STEVENS: Mr. Chairman, I rise to a point of order before the hon. gentleman reads this letter. Just before you took the Chair I had drawn to the attention of the Chairman who preceded you (Mr. Douglas) that my hon. friend was pursuing a series of quite intimate personal questions—

Mr. LEMIEUX: It is a public, not a personal question.

Mr. STEVENS: The hon. member for Maisonneuve was putting a series of interrogations to the Minister of Customs of a very intimate, personal character.

Mr. LEMIEUX: They refer to the public interest only.

Mr. STEVENS: I submit, sir, that before this course is pursued, the hon. gentleman should state clearly the connection between his series of questions and, if I might be permitted to use the word, the insinuations in the form of a charge or a definite statement that there is some public interest involved. I failed to gather from the questions anything relating to the public interest, and I do not think that any minister or member should be subjected to such a cross-examination unless the committee are taken into the confidence of the hon. gentleman as to his reasons for submitting the questions; and, further, I submit that the item under discussion being an item in the Customs Department, this course should not be pursued under it. If my hon. friend considers that the Minister of Customs has in any way used his position improperly, then I submit that a charge should be made and the letter read in that connection, and not placed on Hansard when there is no proper opportunity to deal with it in a parliamentary manner.

The CHAIRMAN: I regret, that I was not in the Chair to hear the preliminary

remarks made by the hon. member for Maisonneuve (Mr. Lemieux), but from what I have heard upon the point of order, I would judge that the question is this: Has an hon. member in Committee of Supply the right to refer to any act of a minister of the Crown which does not concern his official conduct as such minister? The doctrine laid down in May's Parliamentary Procedure on that point is quite clear. At page 486, he says:

> Regarding the general conduct of debate in the committee of supply, it may be observed that remarks on the conduct of a servant of the state, made on the grant containing his salary, must be restricted to his official conduct. The committee of supply does not afford the proper opportunity for discussing, whether a minister should be in the cabinet or not.

Anything, therefore, which would concern the official conduct of the minister would be perfectly in order. On the other hand, any complaint which any hon. member might have to make concerning his conduct in relation to his private life or affairs would be more properly made either upon a motion to go into Supply or introduced as a matter of privilege.

Mr. LEMIEUX: Mr. Chairman, the matter I have to call to the attention of the minister and the committee is one which affects the public interest, and if I were permitted to read the letter which I have in my hand the committee would at once see its relevancy. The letter emanates from the Department of Customs; it is written on the official paper of the department, and in the body of the letter the hon. minister intimates that he writes as Minister of Customs. Therefore, it is in the public interest as it affects the administration of his department. I have no charge to make at present against the minister; that is why I was asking him a few questions. He may have a perfectly satisfactory explanation, of which the committee will be able to judge. Therefore, Mr. Chairman, I purpose to read this letter and ask the hon. minister if he admits its authenticity, and what explanation he has to give regarding it. This letter is written on the official paper of the department, and bears the Royal Coat of Arms. it is as follows:

> OTTAWA, January 13, 1921.
>
> French Purchasing Commission,
> Care of French Embassy,
> London, E.C., England.
>
> Dears Sirs,—I am informed that your Government will have quite a few French steamers taking grain from the port of Saint John N.B. Canada this winter.
>
> The firm of Nagle and Wigmore of which I am a member are very anxious to secure this business. We are the largest firm of shipbrokers in Saint John and have done a very large amount of business along these lines.
>
> We have our own tow-boats, tend to all stevedoring and all matters in connection with the general brokerage business.
>
> As you are no doubt aware, I am Minister of Customs and Inland Revenue in the Canadian Government and I spoke to Sir George Foster, my colleague in the Cabinet who has just returned from England being Canada's representative at the League of Nations' conference which has just been concluded at Geneva and he advised me to write to you.
>
> We are in a position to handle your business to your satisfaction and would refer you to the Bank of Nova Scotia as to our financial ability.
>
> We are agents for the Canada Steamships Lines Limited, the Compagnie Canadienne Transatlantique, Limited, the Fracanda line and the Acadian Shipping Company Limited.
>
> I would very much appreciate your giving us your business.
>
> Thanking you in anticipation,
>
> I remain,
> Yours very truly,
> R. W. WIGMORE.

Sir, I consider this a matter of public importance, because the hon. minister speaks not only as a member of the firm of Nagle and Wigmore, but as Minister of Customs and Inland Revenue; and he refers to an interview he had with one of his colleagues—indeed, the senior member of the Government, the right hon. Minister of Trade and Commerce (Sir George Foster). It is a matter of public interest whether a minister of the Crown has the right to act in this way, using his position to promote the business of a firm with which until a few weeks or months ago he was connected. My object in bringing the matter before the committee is to ascertain whether or not the hon. gentleman admits that he wrote this letter. I would like to have an answer from the hon. gentleman.

Mr. WIGMORE: I am not surprised that the hon. member for Maisonneuve has brought this question up, because I heard that he had a copy of this letter and had had a photograph of it made. I want to say, to begin with, that since being called into the Cabinet I absolutely have received no benefit in any way, shape or form, financial or otherwise, from the firm of which I was a member at that time. I wrote this letter not with any understanding that it would benefit our firm personally. I wrote it as I would write a letter on behalf of my hon. friend from Maisonneuve if he were in the business and came to me and asked me if I would write on his behalf to this firm; for if he had done so I certainly would have written a letter on his behalf.

I did not write it with any idea that there was to be any benefit from the Minister of Customs' standpoint, or in any other way, only in writing to this firm in England they would not know who I was and I simply said I was Minister of Customs and Inland Revenue in Canada. I have received no benefit, as I say, in any way, shape or form, financially or otherwise, from the firm of which I was a member at that time. My partner is carrying along the business and I wrote this letter with the idea of securing business for him just as I would to secure business for any other firm that would write to me. We receive letters from day to day asking us to recommend certain firms and certain people, and it was in this way that the letter was written.

Mr. LEMIEUX: I notice that there is one gentleman who applauds. I would like to know if the people of Canada would applaud if they were witnesses to what is taking place this afternoon. The hon. gentleman has made his answer and we must accept it. I do accept it, especially that part of it in which the hon. gentleman admits that he signed this letter and mailed it. All comments are unnecessary. Mr. Chairman, in all the annals of British parliamentary government, either in Canada or in the Mother Country, I challenge any one to find such a glaring example of personal interest mixed with the administration of public affairs. No minister of the Crown, either in Canada or in the Mother Country would ever dare to mix his own personal business with the public business. I dare say that if the right hon. Minister of Trade and Commerce knew that his name had been mentioned in this letter he would at once have disowned the author of it. It is highly improper for a minister of the Crown to boost his own private business whilst using the royal coat of arms and the official paper of the Government. It is improper per se; then, it is improper so far as it affects his competitors in the city of St. John. It is also improper because the hon. gentleman was competing with the Government of which he is a member, because they also have a merchant marine which can perform the business which the hon. gentleman is seeking for his own firm. Besides, he was practically writing to a foreign government, and that indeed is a sad feature I find in this matter.

The CHAIRMAN: I must point out to the hon. member for Maisonneuve that under the rules of the House he is obliged to accept the statement of the hon. minister that he was not interested in the firm at the time the letter was written.

Mr. LEMIEUX: Well, I accept what the hon. gentleman said, that he wrote the letter. But the letter cannot bear two interpretations. I will read it again. At the top there are the words "Minister of Customs," and immediately underneath, the royal coat of arms. The letter says:

OTTAWA, January 13, 1921.

French Purchasing Commission,
Care of French Embassy,
London, E.C., England.

Dear Sirs:—

Mr. MORPHY: I rise to a point of order. The letter has already been read.

The CHAIRMAN: I think the point of order is well taken. The hon. member certainly has no right to read the letter again.

Mr. LEMIEUX: The minister admits having written and signed the letter, but he qualifies that statement by saying that he had no personal interest, whereas by the very reading of the letter you can see the interest blazoned across it. He says—

The CHAIRMAN: The letter is on Hansard and it speaks for itself. I must rule that the letter cannot be read again.

Mr. LEMIEUX: But I may comment on the letter?

The CHAIRMAN: The hon. gentleman may comment on it, but not read it again.

Mr. LEMIEUX: The hon. gentleman says he has no personal interest. What does he mean when he says in the letter?—

We have our own tow boats, tend to all stevedoring and all matters in connection with the general brokerage business.

As you are no doubt aware I am Minister of Customs and Inland Revenue in the Canadian Government and I spoke to Sir Geo. Foster, my colleague in the Cabinet who has just returned from England, being Canada's representative—

The CHAIRMAN: The hon. gentleman is evading the rule; he is reading the letter again under the guise of commenting upon it. He certainly cannot do that.

Mr. LEMIEUX: I accept your ruling, Mr. Chairman. My comment is that the hon. gentleman as Minister of Customs has written a most improper letter which should arrest the attention of the right hon. leader of the Government. The Minister of Customs in writing this letter promoted his own personal interest or the interest of this firm—

Some hon. MEMBERS: Order.

Mr. LEMIEUX: Well, I accept the statement he made. I must accept it, qualified by the terms of the letter. At all events I desire to call the attention of the Prime Minister to this question—

Mr. STEVENS: I rise to a point of order.

Mr. LEMIEUX: Does he approve of any of his minister's writing such a letter?

Mr. STEVENS: My point of order is this. The minister made a statement in reply to the interrogations and the reading of this letter by the hon. member for Maisonneuve (Mr. Lemieux), I submit that the hon. member has no right whatever to insinuate or suggest any improper motive on the part of the minister, unless, as I stated before, when I appealed for your ruling, he is prepared, from his seat in the House, to prefer charges of improper conduct against the minister. I submit the hon. gentleman is not in order under the Estimates of this department in pursuing the course that he has pursued.

Mr. LEMIEUX: It is quite obvious that the hon. gentleman is not in sympathy with the minister who wrote this letter, and I do not see why he rises to this point of order. I was simply asking the leader of the Government if, taking cognizance of this letter, he approves it, and if he does not think that a minister of the Crown who could write such a document does not deserve to remain in the Government?

Mr. MEIGHEN: I do not know, Mr. Chairman, whether there is a point of order awaiting your decision or not; if there is, I do not wish to intervene. Otherwise, I want to assure my hon. friend that I am not able to be so profoundly moved by the letter to which he refers as he seems to be. The letter which was brought to my attention—I think it must be the letter to which he has referred this afternoon; I do not need to see it—appears to have been a letter written for a firm of which the Minister of Customs and Inland Revenue (Mr. Wigmore) had been, or was a member and with which his name was still associated.

Mr. LEMIEUX: He signed it.

Mr. MEIGHEN: On behalf of that firm. The only reference in the world to his position is by way of explaining how he comes to write the letter, by reason of his being a colleague of the Minister of Trade and Commerce (Sir George Foster), and the matter having been brought to his attention by that minister upon inquiry on his return from overseas. I did not know that it was a penal offence for a man writing a private letter to refer to the fact that he was a minister by way of explaining that the information prompting the letter came from a colleague who happened to have been overseas, and to have learned that this commission, whatever it was, was to have boats running to St. John. I tried to inquire, that is, in my mind, whether or not there could possibly be any motive in it that could be criticized in any way at all; but my imagination or ingenuity was not sufficient to enable me to see how there could be any improper motive. If there had been any way in which, as minister, he could have assisted them, the case might have been different, but there is no way in the world by which he could do that. The hon. gentleman was merely explaining how he came to write the letter; being a colleague of Sir George Foster, Sir George Foster told him that the commission would require this service. The reference was merely incidental; there was no improper thought or improper purpose, either real or imaginary. It is not for me to approve or disapprove of conduct particularly, unless such conduct is of a character inconsistent with the duties of the minister as a minister. I must say that I was not able in this case to discern conduct of any corrupt or culpable nature.

Item agreed to.

Customs and Inland Revenue—salaries and contingent expenses of the several ports in the Dominion, including pay for overtime of officers notwithstanding anything in the Civil Service Act—and temporary buildings and rentals..	$5,489,815
Salaries and travelling expenses of inspectors of ports and of other officers on inspection and preventive service including salaries and expenses in connection with the Board of Customs..	621,380
Miscellaneous—printing and stationery, subscriptions to commercial papers, flags, dating stamps, locks, instruments, etc., for various ports of entry, express charges on samples, stationery and forms, legal expenses, premiums on guarantee bonds, and uniforms for customs officers..	423,000
To provide for expenses of maintenance of revenue cruisers and for preventive service..	238,000
Amounts to be paid to Department of Justice to be disbursed by and accounted for to it, for secret preventive service..	10,000
	$6,782,195

Mr. COPP: I noticed in the press the other day the retirement of Mr. Belyea. Can the minister give me the details about the retirement of this official from the St. John office?

Mr. WIGMORE: The amalgamation of the Departments of Customs and Inland Revenue, not only in St. John, but throughout the Dominion, is in the hands of a committee of the Civil Service Commission, and their report to a subcommittee of the council was that we could dispense with the services of Mr. Belyea in the city of St. John. The positions of Collector of Customs and Collector of Inland Revenue have been amalgamated, and both of them are now in charge of Mr. Lockhart. Mr. Belyea has not been in good health for some time, and he will retire on his regular superannuation allowance.

Mr. COPP: How does that superannuation allowance compare with the salary which he was receiving?

Mr. WIGMORE: His salary was $2,280. He will retire on a superannuation allowance of $1,568.

Mr. COPP: I have only a slight acquaintance with the gentleman in question, but as regards his age, I thought from his appearance he would be a more likely man to take charge of the combined office than Mr. Lockhart, and that the latter would be more in line for superannuation than Mr. Belyea. I was wondering why Mr. Belyea was selected for retirement.

Mr. WIGMORE: I know this case very well and I can assure my hon. friend that Mr. Belyea's condition is such that it would be impossible for him to carry on long. I would not like to say here just what that condition is.

Mr. COPP: He was quite satisfied to retire, was he?

Mr. WIGMORE: Yes. He was a much younger man that Mr. Lockhart, but there are reasons why he retired. I will give the information to my hon. friend.

Mr. CHISHOLM: The minister might give a similar explanation with regard to the Collector of Customs at Pictou, N.S., Mr. R. P. Fraser. I am informed that he was retired. Why was he retired from the Customs Department and another person taken from the Inland Revenue Department and put in his place?

Mr. WIGMORE: That is a similar case. He was retired by the Civil Service Commission. He was, I believe, 76 years of age. It was found possible to do away with one of the two officers at Pictou. The man succeeding him is 67, a much younger officer. Mr. Fraser will retire on quite a substantial retiring allowance.

Mr. CHISHOLM: Does the minister invariably take the ages of these officials as a qualification?

Mr. WIGMORE: No, the Civil Service Commission handles the matter.

Mr. CHISHOLM: I do not know anything particularly about these two gentlemen. I know that Mr. Fraser is very vigorous and is and always has been a satisfactory officer. It occurred to me that, perhaps, this was pretty cruel treatment to mete out in his old days to a gentleman who was in good health and vigour and able to attend to his office and to his work. He has a large family to support, he is not blessed with too much of this world's goods, and his retiring allowance will not be at all sufficient to meet the necessary requirements of his family. I do not know either of them personally, but this is the information that has been given to me.

Mr. WIGMORE: The retirements are recommended by the Civil Service Commission, who report to a sub-committee of council. Mr. Fraser was the oldest employee there, and I suppose on that account it was decided that he should be retired.

Mr. CHISHOLM: Who was his successor?

Mr. WIGMORE: Another man by the name of Fraser, who was Collector of Inland Revenue. The two offices were amalgamated.

Mr. CHISHOLM: In former times there were certain preventive officers—I forget their title—whose duty it was to go around the country looking for the manufacture of liquors against the law. Has the department retained these officers?

Mr. WIGMORE: Illicit distillers.

Mr. COPP: Moonshiners.

Mr. WIGMORE: We still have these officers.

Mr. CHISHOLM: I know that there are certain officers in the important centres, but I think there used to be subordinate officers here and all over the country, local men, who went around to see if any illicit manufacturing was being done. They re-

ceived only a small salary. Has the minister such officers in his department now?

Mr. WIGMORE: Yes, they are still employed at the same work.

Mr. CHISHOLM: Is there any such officer in the very important county of Inverness? I know we do not manufacture any illicit liquors there, but I should like to know if there is such an officer in the county.

Mr. WIGMORE: Yes, a gentleman by the name of Mr. Carrol.

Mr. CHISHOLM: Where is he located?

Mr. WIGMORE: At Pictou.

Mr. CHISHOLM: He is not in the zone at all.

Mr. GAUVREAU: Can the minister tell me the salary of Mr. Schmouth, who is customs officer at Rivière du Loup? In fact, he is both customs officer and inland revenue officer.

Mr. WIGMORE: His salary has been $1,500 from April 1. Formerly it was $1,440.

Mr. GAUVREAU: For both offices?

Mr. WIGMORE: Yes.

Mr. GAUVREAU: Does the minister think that is a fair salary in these days for a married man with twelve children? This man has also been obliged to collect taxes for the Minister of Finance, with no extra remuneration whatsoever. When I was coming up here at the beginning of the session, the poor man asked me if I could not say a good word in his behalf to the minister, to try and get an increase of salary for him.

Mr. WIGMORE: Unfortunately, the minister has nothing to do with the salary. If I had my full say in the matter, I think some of these salaries would be very much increased. The salary is fixed by the commission, and this man is receiving the maximum of his class.

Mr. COPP: I understand that there has been a reorganization and a combination of the inland revenue and customs offices in certain localities, possibly all through the country. I think it would be interesting to the committee if the minister would give a short resumé, stating where these offices have been combined, and whether a saving has resulted. I think a general statement in regard to his department would be very illuminating to the committee, and would probably save time by anticipating a number of questions that we otherwise might have to ask.

Mr. WIGMORE: There is a net decrease in the first item under Civil Government of $116,105.85. With regard to the item now before the House, the increase is partly due to transfers from the one department to the other. I have a report here which it might be just as well to read so that the committee will know the facts as to this increase :

Owing to the consolidation of the two services from April 1, 1921, a combined estimate is submitted for the fiscal year 1921-22.

The first item is that of "Salaries and contingent expenses of the several ports in the Dominion, including pay for overtime of officers notwithstanding anything in the Civil Service Act,—and temporary buildings and rentals," the vote for which in 1920-21 was $4,984,433.25, made up as follows:

Customs	$4,250,000 00
Excise	734,433 25

The $734,433.25 for excise was made up of the following items, viz.:

Salaries of officers of excise and to provide for increases pending upon the result of excise examinations	$465,033 25
Extra duty pay at large distilleries and other large factories	15,000 00
Duty pay to officers serving longer hours at other than special survey	2,000 00
Excise travelling expenses, rent, fuel, etc.	112,400 00
Amount to provide for salaries in connection with war taxes	140,000 00

The estimate for the fiscal year 1921-22 shows an increase of $505,381.75, of which amount $165,533,75 represents salary arrears for 1920-21 due to reclassification, leaving $339,848 covering increase for the fiscal year 1921-22.

This latter amount is made up of the following items, viz:—

Statutory increases	$144,635.00
Amount to provide for 33 auditors (accountants) in charge of districts to audit books in connection with the collection of Excise Tax; for temporary employees relieving regular officers on sick leave with pay; and for promotions, transfers, etc.	114,113.00
Amount due to transfer of officers from Preventive Service salaries under reclassification	75,000.00
Amount required due to increased cost of contingencies	6,100.00

The second item is that of "salaries and travelling expenses of Inspectors of Ports and of other officers on Inspection and Preventive Service, including salaries and expenses in connection with the Board of Customs," the vote for which in 1920-21 was $543,575.00, made up as follows:—

Customs	$500,000.00
Excise	43,575.00

The $43,575 for Excise was made up of the following items, viz:—

Salaries of inspectors and to provide for increases	$ 32,575.00
Travelling expenses, etc., for inspectors	11,000.00

The Estimate for the fiscal year 1921-22 shows an increase of $77,805, of which amount $34,497 represents salary arrears for 1920-21 due to reclassification, leaving $23,308 covering an increase for the fiscal year 1921-22.

This latter amount is made up of the following items, viz:—

Statutory increases	$ 13,780.00
Amount to provide for increased cost of travelling expenses and for employees relieving regular officers on sick leave with pay, and for promotions, etc.	9,528.00

The third item is that for "Miscellaneous"—the vote for which in 1920-21 was $437,100 made up as follows:—

Customs	$240,000.00
Excise	197,100.00

The $197,100 for Excise was made up of the following items:—

Premiums on guarantee bonds	$ 1,600.00
Stamps for imported and Canadian tobacco	170,000.00
Stamps, etc., in connection with War Tax	25,000.00
Minor revenue expenditure	500.00

The Estimate for the fiscal year 1921-22 shows a decrease of $14,100. This decrease is made up as follows:

$15,000 less for stamps from which is to be deducted an increase of $900 for premiums on guarantee bonds.

The fourth item is "to provide for expenses of maintenance of Revenue Cruisers and for Preventive Service," the vote for which in 1920-21 was $278,000 made up as follows:—

Customs	$150,000.00
Excise	128,000.00

The $128,000 for Excise was made up of the following items:—

$110,000 for Preventive Service salaries.
$18,000 for Preventive Service contingencies.

The Estimate for the fiscal year 1921-22 shows a decrease of $40,000, which is made up as follows—$75,000 owing to salaries of 65 officers being transferred under the reclassification from this item to that for Port Salaries and Contingencies, less an increase in the Customs Preventive Service owing to the increased cost of maintenance and of repairs to be made to the Customs cruiser "Margaret" and s.s. "Grib."

The fifth item—the amount to be paid to the Department of Justice to be disbursed by and accounted for to it, for Secret Preventive Service"—the Estimate for 1921-22 remains the same as for last year, viz:—$10,000. This amount being considered sufficient to meet the expenditure.

Mr. COPP: How much was spent last year of the amount voted?

Mr. WIGMORE: About $8,000.

Mr. COCKSHUTT: I understand that the Customs and the Inland Revenue offices in Brantford have been combined. Is it the intention to take care of the retiring officers of the Inland Revenue in the Customs Department?

Mr. WIGMORE: In Brantford the Collector of Inland Revenue is to be superannuated.

Mr. MORPHY: I should like some information in regard to the case of Listowel, in the county of Perth.

Mr. WIGMORE: In that case it is the Customs Officer who will be superannuated.

Mr. MORPHY: The other staff will be continued?

Mr. WIGMORE: Yes.

Mr. MORPHY: In regard to the retirement of the Customs officer there, a man who has been in the service nearly ten years, what provision is being made?

Mr. WIGMORE: This man will receive $125 gratuity plus $1,000.

Mr. MORPHY: If he had continued in his work for the next year or year and a half, having performed ten years service, what would he have got?

Mr. WIGMORE: He would have received ten-sixtieths of his average salary for the last three years.

Mr. MORPHY: For life?

Mr. WIGMORE: Yes.

Mr. MORPHY: Does the minister think it is equitable and fair that a servant of the public, who is being dispensed with in that way, should by some arbitrary rule be deprived of what is really a right? Supposing he had nine years and three hundred and sixty-four days in the service; if he had been one day longer he would get a certain allowance. Is it equitable and fair that because he has failed to put in that much longer time he should suffer a reduction? The minister should consider the case of worthy officers who have given their time to the State, and, out of the saving which he contemplates making, he should provide something for cases of that kind, where men have gone out of their ordinary occupations into the service of the country, having unfitted themselves for other work. This seems hard, especially as some of these men have not saved any money out of the meagre pittances they have received from the Government. The salaries in the country do not approximate those paid in Ottawa and the other cities. The men in the country are under paid,

while it might be said that in Ottawa many of them are overpaid. Can the minister really not provide, out of the vast savings he expects to make, something for worthy officers on the outside?

Mr. WIGMORE: I agree with the hon. member that in many cases the recommendations for retirement work a great hardship to certain men, but unfortunately the minister of the department has nothing to do with the matter. These recommendations are made by the Civil Service Commission to a sub-committee of Council and are acted upon accordingly. It does seem unfortunate that a man should not benefit by the amount of retirement that would be given to him if he had served a few days longer than the date of his actual retirement, but the ruling having been laid down I cannot help it.

Mr. MORPHY: I wish to take up the case of Stratford, where the collector of customs is now presumed to take over the offices of both Customs and Inland Revenue. His work is fairly heavy and responsible now. If the collector of customs cannot be given an increase at all, I should like to know whether some representation could not be made to the Civil Service Commission with a view to securing fair play in this matter. What is the revenue at Stratford from customs and inland revenue, and what is the salary paid the officer now conducting both services?

Mr. WIGMORE: I quite agree that on amalgamation, particularly of the larger offices, where greater responsibilities are placed on the collectors, and where in some cases it is almost impossible for them to get through with their work, some consideration should be given. It is my intention on the reorganization of the department to make certain recommendations to the Civil Service Commission, who have this matter in hand, so that in those cases where there has really been an extra amount of work placed on these men, the work should be graded differently and some consideration should be accorded them. I assure the hon. gentleman that I will take this matter up with the Civil Service Commission and make a recommendation along those lines. The Customs revenue at this particular port is $185,000.

Mr. MORPHY: And the salary is what?

Mr. WIGMORE: The salary of the collector is $2,160.

Mr. ROSS: I would like to ask the minister a question with regard to the outport of Strathroy. I notice on page D-43 of the Auditor General's Report the following:

> Strathroy: W. H. Murray, sub-collector, $1,300 bonus, $396; H. W. Paddell, clerk, $1,200, bonus, $396; Miss M. DeCourcy, preventive officer, $850, bonus, $420; G. E. MacKenzie, relieving officer, 3 m. to Mar. 31, $274.98, bonus, $72.55; board, etc., W. J. Element, $32.40; postage and p.o. box, $22.25—

Do I understand from this item in the Auditor General's Report that all these officers are stationed at the town of Strathroy, and that they occupy offices, and draw salaries for work performed there?

Mr. WIGMORE: The headquarters of that particular district and the chief port is London; Strathroy is just an outport.

Mr. ROSS: I understand that quite well, but I would imagine that if that were the case the salaries of these people would be charged to the city of London. What have they to do with Strathroy?

Mr. WIGMORE: Nothing at all.

Mr. ROSS: Take Miss DeCourcy; what are her duties in the Strathroy office?

Mr. WIGMORE: There is only one officer at Strathroy; all the rest are at London. This lady the hon. gentleman speaks of is at London.

Mr. ROSS: Then this item in the Auditor General's Report should not be in the form in which it is, and the salaries of these officers should not be charged to the Strathroy office. Miss DeCourcy, H. W. Paddell and W. J. Element have never been in the Strathroy office.

Mr. WIGMORE: If the hon. member will refer to page D-42 of the Auditor General's Report he will find that is all under the chief port of London, the total for salaries being $43,722. The different offices are enumerated, and Strathroy is only an outport.

Mr. ROSS: I understand that quite well. But why should these salaries be charged to the Strathroy office? These people have never entered the Strathroy office in their lives.

Mr. WIGMORE: They are not.

Mr. ROSS: But at page D-43 all these offices are under the heading of "Strathroy" and their salaries are charged to that office. Mr. Murray is the only officer there.

Mr. WIGMORE: There is something wrong. They should be under the London office; there is no question about that. There is only one officer at Strathroy.

Mr. ROSS: That is what I was pointing out. From the way the information appears in the Auditor General's Report any person reading it would believe all these persons are stationed at Strathroy.

Mr. WIGMORE: It is a mistake; they are all stationed at London with the exception of one officer at Strathroy. I think his name is Murray.

Mr. COCKSHUTT: I was going to make further inquiry when the member for Perth (Mr. Morphy) intervened with regard to the amount of collections at the port of Stratford. I was going to ask if it is the intention of the minister to recognize the increased responsibilities and work that will devolve upon the collector at the port of Brantford by reason of the amalgamation. My recollection is that the collections in the Customs will amount to a million of dollars almost, and probably $200,000, or perhaps more, in the Inland Revenue. The offices having been amalgamated and it appears to me that the Customs officer, who has now been in the employ of the department several years, would be entitled to further consideration by reason of the vast amount of work that will be put upon him, and the increased responsibilities that the double office will create in the city of Brantford. If the minister has these facts I would like to hear them.

Mr. WIGMORE: The revenue from Brantford last year in customs was $900,000, and in inland revenue $175,000. The same statement that I made to the hon. member for Perth, applies in like manner to Brantford or any other place. I believe that these men who have had extra duties placed upon them should receive extra consideration, and my recommendation to the Civil Service Commission will be along that line.

Mr. McKENZIE: May I ask the number of Customs and Inland Revenue officers in the riding of North Cape Breton and Victoria, and the different places at which they are stationed?

Mr. WIGMORE: It will take some little time to look that information up. Will the hon. gentleman tell me to what ports he refers? I have not got them in alphabetical order here, but only by counties.

Mr. McKENZIE: I think there is a custom house at Cape North, in the northern end of the county. I think there are also customs houses at Neil's Harbour, North Ingonish, South Ingonish, Englishtown, Baddeck, Little Narrows, Iona, Grand Narrows, North Sydney, and Sydney Mines.

Mr. WIGMORE: There are fourteen officers at Baddeck and at out ports. There are fifteen at Northm Sydney and out ports. I will be very glad to read the names of the officers at Baddeck. They are as follows:

D. J. Macrae, Collector of Customs, at Baddeck; J. A. Bain, Customs Patrol Officer, New Campbellton; J. J. Bain, Customs Patrol Officer, New Campbellton; Captain A. Carmichael, Customs Patrol Officer, Munroe's Point; Edward Dowling, Customs Patrol Officer, Neil's Harbour; John Larusic, Customs Patrol Officer, Aspy Bay; W. R. McKinnon, Sub-collector of Customs, New Campbellton; Donald McAulay, Customs Patrol Officer, St. Ann's; P. A. MacIntosh, Customs Patrol Officer, White Point; D. B. McKay, Customs Patrol Officer, Little Narrow's; Alex. McLeod, Customs Patrol Officer, Englishtown; Edward Macneil, Sub-collector of Customs, Iona—

There are a couple of temporary officers:

—T. D. Curtis, Customs Patrol Officer, Ingonish; Duncan Carey, Customs Patrol Officer, New Campbellton.

The names of the officers at North Sydney are:

Jos. McPherson, Collector; J. H. Cameron, John Cogan, John J. McDonald, David Edwards, F. E. Jackson. H. W. McNeil, Angus Young, John Boutillier, D. J. McGillivray, Chas. J. K. Jessome, Roderick McDonald, Robert Newton, James Peck, and E. A. McNeil.

Mr. McKENZIE: Is any provision made for increases to these men from year to year? Some of them are rather old officials and get small pay.

Mr. WIGMORE: No provision is made for increases to these patrol officers. Statutory increases are granted to collectors of customs, and are fixed by the department and the Civil Service Commission.

Mr. McKENZIE: Were any increases made in the last two or three years?

Mr. WIGMORE: Not for those small offices.

Mr. LEMIEUX: Can the hon. gentleman give the number of port officers for Montreal this year as compared with 1917, 1918, 1919, and 1920?

Mr. WIGMORE: I have not the information here, but last year there were 398 officers in the port of Montreal, and the out-ports connected with it.

Mr. LEMIEUX: And this year?

Mr. WIGMORE: I can give the hon. gentleman that information later on.

Mr. LEMIEUX: What were the total salaries paid to those officers? And have any increases been granted?

Mr. WIGMORE: The total salaries for 1920 were $511,600. The proposed statutory increases will amount to $17,135.

Mr. LEMIEUX: Will those officers get the bonus?

Mr. WIGMORE: Yes.

Mr. LEMIEUX: What is the customs revenue from the port of Montreal?

Mr. WIGMORE: The customs revenue was as follows: 1915-16, $23,116,305; 1916-17, $34,890,790; 1917-18, $36,459,793; 1919, $36,662,151; 1919-20, $47,921,847.78.

Mr. LEMIEUX: What are the Inland Revenue receipts from the city of Montreal?

Mr. WIGMORE: I have not any statistics.

Mr. LEMIEUX: How many Inland Revenue officers are employed in the Montreal district?

Mr. WIGMORE: About one hundred and four or one hundred and five.

Mr. LEMIEUX: How many seizures were made by those officers last year?

Mr. WIGMORE: The seizures made were as follows: 1917-18, 7; 1918-19, 28; 1919-20, 29; 1920-21, 59.

Mr. LEMIEUX: Has my hon. friend received representations from the Board of Trade and from the Chamber of Commerce of the district of Montreal as regards the duties levied in view of the premium on the American dollar?

Mr. WIGMORE: I do not remember any such representations. I should judge they would get to the Minister of Finance.

Mr. LEMIEUX: Yes. But has any decision been made as regards discrepancy in the duties affected by the premium on the American dollar?

Mr. WIGMORE: No, there is no difference between the standard dollar of Canada and the standard dollar of the United States.

Mr. LEMIEUX: But as a matter of fact there is with the appreciation of the American dollar, and the depreciation of the Canadian dollar. Is not the department by not adjusting this matter giving the Americans a real preference in shipping their goods here?

Mr. WIGMORE: Of course, under the present law we cannot make any change. I do not know what may be done in the future.

Mr. LEMIEUX: But my hon. friend can see at once that it works in favour of the American and against the British exporter to Canada. It seems to me that the provisions of the Customs Act with respect to standard currency should be amended in order to give our friends in Great Britain and importers in Canada a chance to compete with the Americans.

Mr. WIGMORE: The Act says:

> In computing the value for duty of such currency the rate thereof shall be such as has been ordered and proclaimed from time to time by the Governor in Council who is hereby empowered to make such order.
>
> The rate so ordered shall be based upon the actual value of the standard coins or currency of such country as compared with the standard dollar of Canada in so far as such comparative values are known.

Mr. LEMIEUX: In view of the depreciation of the Canadian dollar on the American market, does my hon. friend not think that an amendment might be introduced to effect an adjustment of things? I am afraid that we shall have to suffer from this depreciation for quite a number of years and the Americans will get the best of us. Canadians will lose the benefit of the British preference because on your Canadian dollar you lose 13 or 14 cents; it has even gone as low as 17.

Mr. WIGMORE: Of course, this is a question of policy and is a matter for the Finance Minister. I may tell my hon. friend, however, that it has been under consideration for some time.

Mr. PEDLOW: I would like to ask the minister how he arrives at the total of this vote, $6,782,195, showing an increase of $129,086.75. I find there is an actual decrease of $454,100 from last year's Estimates. Why does this discrepancy exist?

Mr. WIGMORE: Last year we had two votes, one for the Customs and one for the Excise; this year we are amalgamating the two departments, so there must be some consideration that the hon. member has not taken into account.

Mr. PEDLOW: I am simply taking the figures as they appear in this Estimate, page 66. I find it difficult to reconcile the amounts as given on this page. Apparently there should be a large decrease in the

amount asked for, whereas there is actually shown an increase.

Mr. LEMIEUX: Six o'clock.

Mr. WIGMORE: I would like to get this item through if possible.

Mr. LEMIEUX: Oh, I think the minister should be satisfied. I would like him in the meantime to consider the last question that I brought up and to be ready to make a statement when we return to his Estimates.

Mr. WIGMORE: That is a question for the Minister of Finance.

Mr. LEMIEUX: My hon. friend is administering the Customs Act. At any rate, the matter should be considered either by him or the Finance Minister.

Progress reported.

PRIVATE BILLS

SECOND READING

Bill No. 137, to amend and consolidate the Acts respecting Quebec Steamship Company.—Mr. Casgrain.

DOMINION EXPRESS COMPANY

On motion of Mr. Green, Bill No. 108 (from the Senate) respecting the Dominion Express Company, was considered in committee, reported without amendment, read the third time and passed.

On the motion of Hon. Mr. Reid, the House adjourned at 6.05 p.m.

Monday, May 9, 1921.

The House met at Three o'clock.

CIVIL SERVICE ACT, 1918, AMENDMENT

Hon. E. K. SPINNEY (Yarmouth and Clare): I beg to present the second report of the Special Committee to whom was referred Bill No. 122, to amend the Civil Service Act, 1918. I move that the report be concurred in.

Mr. DEPUTY SPEAKER: In the absence of notice, this motion requires unanimous consent.

Motion agreed to.

INSURANCE CONFERENCE

On the Orders of the Day:

Hon. RODOLPHE LEMIEUX (Maisonneuve): May I ask my hon. friend the Minister of Finance if the conference between representatives of insurance companies and the superintendent of insurance has taken place, and whether my hon. friend will proceed with his resolution some day this month?

[Mr. Pedlow.]

Sir HENRY DRAYTON (Minister of Finance): The conference my hon. friend refers to has taken place. There was a long meeting of the various interests, and I think that if the interests desire to be fair, the differences can be largely composed, and the Bill, I hope, introduced as soon as we are finished with the Budget.

PRIVILEGE—Mr. DENIS

Mr. J. J. DENIS (Joliette): I rise to a question of privilege. Speaking in Committee of Supply, on the Estimates of Immigration, on April 26 last, I said that I was in favour of admitting into Canada the immigrants of Europe, the subjects of former enemy nations included, provided these immigrants be morally and physically fit, and of the desirable class that we want in this country. Incidentally, I also made reference to the question of unemployment.

Commenting upon my remarks, some newspapers in the province of Quebec said that I had expressed the view that I would not be adverse to the idea of bringing into this country immigrants who would eventually take the jobs of our working men. I wish emphatically to protest, Sir, against any such interpretation being given to my remarks. By no means do I want foreigners to come to this country to the detriment of our honest working classes. What I said, and what I still maintain, is that this country is wide enough and has resources enough to allow hundreds of thousands of immigrants to come here without any detriment to any class of the population, but, on the contrary, to the mutual benefit of all classes.

PRIVATE BILLS

SECOND READINGS

Bill No. 142 (from the Senate), for the relief of Lily Appleton.—Mr. Douglas (Strathcona).

Bill No. 143 (from the Senate), for the relief of Harry Hirshenbain.—Mr. Jacobs.

Bill No. 144 (from the Senate), for the relief of Percy Christopher Paul.—Mr. Harrison.

Bill No. 145 (from the Senate), for the relief of John Graham.—Mr. Smith.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

ROY BUILDING, HALIFAX

Mr. CHISHOLM:

1. Is the Roy Building at Halifax rented by the Soldiers' Civil Re-establishment? If so, for what period, what rental is paid, and for what purpose?

2. (a) How many doctors, nurses and employees are engaged at Halifax by the said department and (b) how many patients were treated from March 1, 1920, to March 1, 1921, and (c) what is the average daily cost per patient?

3. What is the total Government expenditure on account of Department of Soldiers' Civil Re-establishment for the above period?

Hon. Sir HENRY DRAYTON:

1. No. The Roy building at Halifax was held under lease by the Halifax district office of the Board of Pension Commissioners prior to the amalgamation of that office with the Unit Office of the Department of Soldiers' Civil Re-establishment; immediately the amalgamation was effected, the lease of the building was terminated.

2. (a) The department maintains at Halifax, Camp Hill Hospital and Clinic. The medical staff consists of: 7 full-time physicians; 4 part-time physicians; 22 nurses; 88 other employees.. (b) During the period from March 1, 1920, to March 1, 1921, 1,331 in-patients were treated at Camp Hill Hospital and 3,728 clinical treatments were given to out-patients. (c) The average daily cost per patient was $3.42.

3. The total expenditure by the Department of Soldiers' Civil Re-establishment for the period March 1, 1920, to March 1, 1921, was $38,455,098.01.

CIVIL SERVICE BONUS

Mr. McDONALD:

1. What was the total amount (a) voted, and (b) paid out, for bonus during the past fiscal year?

2. Have any representations been received from Civil Service organizations on the subject of bonus?

3. Have these been considered by the Government and have the said organizations been given opportunity to support their views?

Hon. Sir HENRY DRAYTON:

1. (a) 1920-21, $12,500,000; (b) as shown by books of Finance Department to April 21, 1921, $9,843,697.07.

2. Yes.

3. Answered by No. 2.

CIVIL SERVICE—PREVAILING RATES

Mr. McDONALD:

1. Have any representations been received from any Civil Service organization re men in the service classed as paid prevailing rates?

2. If so, have these representations received consideration and by whom?

3. What recommendations have been made and what action is being or will be taken in this matter?

4. What opportunity has been given this class of men to present their case, either to the Government or to the Civil Service Commission?

5. Were the prevailing rate men of all departments represented at any conference which may have been held? If not, why?

6. Has the Civil Service Commission any data as to prevailing rates of various classes of labour in the several parts of Canada?

7. If so, where was the data obtained?

8. Have the various departments interested been advised by the commission that prevailing rates must be paid and that data is available?

9. Are permanent men classed as coming under prevailing rates regarded as Civil Servants?

10. If so, are they entitled to holiday and sick leave?

11. If not, why, and what body made the ruling excluding them from these privileges?

Hon. Sir HENRY DRAYTON:

1. Yes.

2. Yes, Civil Service Commission.

3. The matter is under consideration at the present time.

4. The Dominion Public Works Federation appeared before the Board of Hearing of the Civil Service Commission on December 22. The Board made certain recommendations which were concurred in by the Civil Service Commission, that salary ranges should be substituted for prevailing rates and that this principle be applied generally where practicable.

5. (a) No. (b) The commission was not asked by any other body of men classified at prevailing rates for a conference and had any other body done so their request for a conference would have been complied with.

6. Yes.

7. Department of Labour.

8. Departments have been advised that the commission has this information and that it is available on request.

9. Yes.

10. No.

11. Prevailing rates were granted at the request of those concerned who believed it was to their advantage and would give them better terms. Consequently all the usual conditions governing the application of prevailing rates outside the Public Service obtain, and no outside employers paying prevailing rates pay for lost time either holidays or sick leave.

CANADIAN GOVERNMENT MERCHANT MARINE

Mr. SINCLAIR (Guysborough):

1. Are any of the vessels of the Canadian Government Merchant Marine operating in conjunction with the Cunard line or any other steamship company? If so, with what companies?

2. If any of the said vessels are so operated, who pays the wages, coal and insurance?

3. What are the names of the vessels, if any, that received a fixed rate per month or other period for their services, and how much does each vessel receive?

4. Who purchases the supplies for the Canadian Government Merchant Marine?

5. Are public tenders called for?

6. What officer is responsible for the purchase of coal for the said Canadian Government Merchant Marine at Halifax, Nova Scotia?

7. How many office employees of every description are in the employ of the Canadian Government Merchant Marine?

8. Where is the head office, and where are the Branch offices, if any, located?

9. What was the total expense of every description connected with the office staff and overhead charges of the Canadian Government Merchant Marine for the year 1920?

10. Who has the appointing of these officers and employees?

Hon. Mr. BALLANTYNE:

The information asked for is information as to operating details under the Canadian National Railway Board, and is not in possession of the Government.

The question as to the desirability in the public interest of securing such and like information, and making same available on motion or on question in Parliament, is being considered by a special commitee of Parliament.

SERGEANT T. ASHLEY, C.M.S.C.

Mr. POWER:

1. Was Sergeant T. Ashley, C.M.S.C., discharged from the staff of Militia Headquarters, Ottawa, on March 31, 1921?

2. If so, what reason was given for this action?

3. (a) Is the said Sergeant Ashley a returned soldier, and (b) was he trained by the Vocational Service Branch of the Department of Soldiers' Civil Re-establishment for the position which he formerly held?

Hon. Mr. GUTHRIE:

1. Yes.

2. Demobilization of all C.E.F. personnel except those who were required after March 31, 1921, for certain special work.

3. (a) Yes. (b) It is understood he was given a vocational course in stenography and typewriting by the Vocational Service Branch of the Department of Soldiers' Civil Re-establishment, but it is not known whether he took this course with a view to obtaining employment in the Department of Militia and Defence.

CANADIAN NATIONAL RAILWAYS—SASKATOON

Mr. BUREAU:

1. How many switch engine hours have been absorbed at Saskatoon during the month of April, 1921?

2. How many tons of freight were handled during the same month at the said place?

[Mr. Sinclair.]

3. How many cars were handled at the said place for the same period?

Hon. Mr. REID:

1, 2, 3. The member for Three Rivers and St. Maurice (Mr. Bureau) does not indicate what railway or railways he has in mind at Saskatoon.

Assuming that he means the Canadian Northern and Grand Trunk Pacific, both under Canadian National operation, it should be pointed out that the question as to whether such information should be made public is at present before the Select Committee on Railways and Shipping. Saskatoon is an important competitive point, and the information asked for would be of service to the Canadian National's chief competitor.

QUESTION PASSED AS ORDER FOR RETURN

Mr. EULER:

What is the number of voters in each riding, on the lists upon which the recent prohibition referendum was held on April 18, in the province of Ontario?

UNOPPOSED MOTIONS FOR PRODUCTION OF PAPERS

Mr. ARCHAMBAULT:

For a return showing the names of all postmasters in the counties of Chambly and Verchères, in the province of Quebec, the date of their respective appointments, and the name of the person who recommended the appointment of such officials in each case.

Mr. LEMIEUX:

For a copy of all correspondence between any member of the Government or any official of the Insurance Department with any member of any Provincial Government or any Provincial Superintendent of Insurance or any association of Provincial Superintendents of Insurance with respect to the resolution amending the Insurance Act standing in the Minister of Finance's name on the Order Paper or the subject matter of the resolution.

DOMINION ELECTIONS ACT AMENDMENT

Hon. HUGH GUTHRIE (Acting Solicitor General) moved the second reading of Bill No. 130, to amend the Dominion Elections Act.

Hon. W. L. MACKENZIE KING (leader of the Opposition): I assume that the statement which was made by the hon. Solicitor General in moving the first reading of this Bill is correct, namely, that it simply embodies the different recommendations which the Chief Electoral Officer presented to the Committee on Privileges and Elections and which were unanimously

approved by that committee. As far as I can see in looking over the Bill, these recommendations appear to relate exclusively to matters of administration, and have nothing whatever to do with any question of principle involved in the Act. I would ask the minister if, when the Bill goes into committee, he will be prepared to consider other amendments than those which are embodied in the Bill. There are two or three features of the Dominion Elections Act which by-elections recently held disclose to be in the public interest. There is one clause in particular which has been strongly objected to by members on this side of the House, the clause relating to a class of voters who have to appear before a judge in order to get a voting certificate before they are allowed to vote. That is a clause that should come up for further consideration when the Bill is before the House. Will my hon. friend state whether he will be prepared to consider either amending the Bill in this and other respects at the present time, or referring certain amendments to the Committee on Privileges and Elections for their consideration at this present session?

Mr. DEPUTY SPEAKER: Before the hon. minister rises to speak, I must remind the House that he will be exercising his right to close the debate, and if any other hon. member desires to speak upon the second reading, he should do so now.

Hon. Mr. GUTHRIE: The leader of the Opposition (Mr. Mackenzie King), is correct in his statement that this Bill follows with precision the recommendations made by the Chief Electoral Officer to his Honour the Speaker, pursuant to the terms of the Dominion Elections Act, and the Bill as now presented embodies only amendments which were prepared by the Chief Electoral Officer, considered by the Committee on Privileges and Elections, and unanimously agreed to and reported to this House. No other amendments are proposed by the Government. But I do not see that there can be any objection to considering other amendments when the Bill is in committee.

Motion agreed to, and Bill read the second time, and the House went into committee on the Bill, Mr. Boivin in the Chair.

On section 1—urban polling division:

Mr. GUTHRIE: The change in this section is in regard to the number of population required to constitute an urban division. In the Act as passed last session, the number was 1,000; it is now proposed to make it 2,500.

Section agreed to.

On section 2—administration of oaths:

Mr. GUTHRIE: This is merely to empower the election clerk as well as other officials to administer oaths.

Section agreed.

On section 3—revising officers:

Mr. GUTHRIE: The former rule 11 was said to be cumbersome and difficult of interpretation. The object of this amendment is to clarify the rule as far as possible, and correct some apparent errors in it. The former rule did not provide for duties being performed by district judges in any province but the province of Quebec. Now we have district judges in the province of Ontario, and that fact was overlooked last session. In the northern portions of Ontario there are district judges.

Mr. McKENZIE: There is a schedule of fees for the payment of judges, but what about those persons whom they may appoint when they are unable to act? Is there any provision for the payment of a man whom the judge appoints, when he cannot attend to all the business, to act in place of himself?

Mr. GUTHRIE: Paragraph (d) provides as follows:

> The duties hereby imposed upon judges shall be deemed to have been imposed upon, and to have been performable by them since the thirtieth day of June, 1920, and any fees allowed to revising officers by any tariff of fees approved under section seventy-six of this Act shall be payable to judges who hereafter personally undertake the revision of lists of voters.

It is an addition to the judicial salary of course.

Mr. McKENZIE: But a judge is authorized to appoint another man in his place under this Act. A judge who has two or three counties to look after, as is the case in our province, and can only attend to one county himself, has power to appoint somebody else in another county. There appears to be no provision for the payment of that man.

Mr. GUTHRIE: I think that such substitute may exercise all powers and perform all duties. I would think one of his functions would be to receive the fees prescribed by this Act.

Mr. McKENZIE: Why not make it perfectly clear by adding "that the fees shall be paid to the judge or any person appointed by him"?

Mr. FIELDING: Is it deemed expedient that judges should be paid for doing this work? We have recently increased the salaries of judges and therefore why have we to pay them extra. I object to the whole idea. I think a good salary should be given to a judge—I do not at all object to that—but he should not get extras in any shape or form for the performance of the duties which pertain to his office.

Mr. LEMIEUX: There is also this fact to be borne in mind: On Friday, I think it was, we had a little discussion in the House about judges who might be called upon to preside over inquiries or investigations, and the Minister of Justice (Mr. Doherty) refused to concur in an amendment made by the Senate debarring judges from accepting such positions. The right hon. gentleman stated that last year, when the Judges' Act was amended, and salaries of the judges were increased, and so increased with the idea of debarring them in future from accepting any remuneration where they presided over inquiries or special investigations. The increased salaries granted to judges, therefore, debars them from accepting any other remuneration. In the case of this legislation they are carrying out the provisions of the Dominion Elections Act, and it seems to me they should not receive any special remuneration in the matter.

Mr. McKENZIE: That may apply all right to a judge, but the man whom the judge appoints gets no remuneration at all. Surely he should be paid for his work, but apparently no provision has been made for that.

Mr. FIELDING: I quite concur that we should make provision to pay a substitute. It would be all right to do that. I do not think the substitute, who possibly gets no other remuneration from the Government, should be debarred from payment; we cannot expect him to work for nothing. But surely we have a right to expect that every judge in the Dominion of Canada who is in receipt of a salary—and if the salary is not sufficiently generous I would make it so—should perform these duties without receiving any extra remuneration in any shape or form.

[Mr. Guthrie.]

Mr. LAPOINTE: If they do not get the extra remuneration will they not appoint substitutes in most cases?

Mr. FIELDING: Well, let them do it.

Mr. GUTHRIE: There is no tariff of fees applicable to judges at the present time, but I suppose there is power in the Act to fix such a tariff. Section 76 of the Act is the one which applies in regard to the fees and expenses of election officers. It provides as follows:

> Upon the recommendation of the Chief Electoral Officer, the Governor in Council may make a tariff of fees, costs, allowances and expenses to be paid and allowed to returning officers and other persons employed at or with respect to elections under this Act, and may, from time to time, revise and amend such tariff.

The judges are not specifically mentioned. I suppose they would be included in the general language "returning officers and other persons." When a tariff of fees is fixed the provision is that it should be laid before the House of Commons within the first fifteen days after the next ensuing session. The amendment does propose specifically to include judges. I suppose they would have been included under the former tariff under the words "other persons" although they are not named there as they are in the present proposal.

Mr. FIELDING: But will my hon. friend himself not volunteer an amendment that this provision shall not now apply to the judges? There is a principle in this matter. We have been increasing the salaries of the judges on the ground that the dignity and responsibilities of their office require generous treatment. I agree with that, I do not quarrel with giving any judge a generous salary; but I do ask the minister not to introduce in this legislation any provision to pay extra remuneration to judges,—I think it is a very undignified way for judges to get their money.

Mr. GUTHRIE: On principle I agree with my hon. friend, but I think there must have been a reason in the mind of the Chief Electoral Officer when this clause was worded as it is. However, I will ask the committee to allow the clause to stand until I have had an opportunity of consulting with him.

Mr. FIELDING: All right.

Section stands.

On Section 4—name omitted added to list.

Mr. GUTHRIE: The clause now reads:

> If any registrar, at any time after posting up any voters' list. . . is fully satisfied from repre-

sentations made to him by any credible person under oath that the name of any person who was qualified as an elector to vote at the election then pending within the polling division for which the registrar has been appointed has been omitted from the voters' list he shall add such name to the copy of the list in his possession.

The amendment proposes to strike out the words "below his signature" which follow, "in his possession" in the ninth line, so that the wording then would be:

He shall add such name to the copy of the list in his possession and attest by his initials such addition.

Mr. MACKENZIE KING: I mentioned a moment ago that a test has been made of certain features of this Act and that some recent experiences have proven the existence of certain limitations in the measure, and I asked the minister if he would consider submitting some representations to the Committee on Privileges and Elections for their consideration. I would like to read him, if I might, part of a communication which I have received from the Attorney General of Alberta in reference to the powers of the registrars and the manner in which this clause in the Act operated in the taking of the recent plebiscite in that province. The communication is dated November 20, 1920:

We had a sample of how it worked in connection with taking the plebiscite in Alberta. The following are a few of the worst features of it:

1. Registration is not made by polling subdivisions, and the person registering does not know what polling subdivision he will be placed in, even if his name be placed on the list.

2. There is no means provided for any record which would be a check upon a dishonest registrar; the voter appearing before the registrar is not required to sign anything and does not receive any document whereby he could prove that he had personally appeared and registered. The result is, and it happened in the recent plebiscite, that a man may appear before the registrar and think he has done everything to get his name on the list, and discovers afterwards that the registrar denies having ever seen him.

Then the communication contains a rather appropriate suggestion with reference to the practice followed in British Columbia regarding registration, which might be deserving of consideration:

British Columbia has the only fair registration system, and in that province all persons applying for registration sign an application. This application is placed on file by the registrar and the original is given to the deputy returning officer before polling day and is by him taken to the poll. When a voter comes to vote he is required to sign his name before he gets his ballot, and comparison can be made between his signature and the original signature of the party who registered. This is not only a valuable check against impersonation, but is some guarantee that the party actually appeared and made application to be placed upon the list.

I think the minister will see that these suggestions have considerable force, and while I am not prepared and would not like to take up the time of the committee in moving any formal amendment at the present time, I should like to suggest to my hon. friend that he consider whether these suggestions might not properly be referred to the committee on Privileges and Elections, with a view of having the Act amended in a manner that will make the registration more effective and less liable to be misinterpreted one way or the other.

Mr. GUTHRIE: I have had a number of discussions with the Chief Electoral Officer with regard to the manner in which the Election Act has worked in the various constituencies where it has been on trial, and from all I can gather from him it has worked exceptionally well and few, if any complaints have been received. It is the privilege and duty of successful and unsuccessful candidates after a by-election to make reports under the law of any defects or unsatisfactory conditions in the working of the Act. The suggestions are all brought to this House in the report of the Chief Electoral Officer. Any suggestions so far received are of very minor importance, in fact we have heard scarcely anything but commendation of the working of the Act. After discussing all the suggestions with the Chief Electoral Officer, he thinks that we have hardly had sufficient experience under the Act yet to see just where it can or can not be materially improved. I am satisfied that it has given pretty general satisfaction so far. One great objection to it, no doubt, in the future is going to be the fact that it will be a fairly expensive Act to administer. But, as to giving a complete record of persons entitled to vote which is up to date in every respect, I think it is a decided advance on any other Act we have ever had on the statute book.

I had an opportunity of discussing with the premier of British Columbia a few days ago the method adopted for indentification of voters in his province, and he told me that the system was particularly necessary there because they had what was known as a "shifting vote" in almost every constituency, which in many instances would run to forty, fifty and sixty per cent of the total population. He said that under their system special steps had to be taken towards better indentification than was

probably necessary in the other provinces. I think that is a very good system, but it would be fairly cumbersome and slow and would add still further expense to the working out of this Act. It might be well that these suggestions should be considered at some future time, but I do not think at present they are of sufficient importance, nor have we sufficient information in regard to them, to delay the present Bill.

Mr. MACKENZIE KING: These suggestions come from the Attorney General of Alberta, and he being the legal member of his government is probably the person best qualified to express an opinion on its behalf. I think representations coming from such a quarter in regard to actual experience under a plebiscite which of course relates to the working of the Act as a whole in that province, are of a character that the Government cannot regard too carefully. I hope my hon. friend will consider further the suggestion I have made of referring these with other possible suggestions to the committee on Privileges and Elections, and thereby perhaps avoid the necessity of any formal amendment in the House.

Section agreed to.

On section 5—copy of certified list for returning officer:

Mr. GUTHRIE: The section as at present framed reads as follows:

Every registrar, having revised and corrected such retained copy of the voters' list compiled by him shall write at the foot of such copy and close to the last name thereon, on the ninth day before the polling day, a certificate in the form of the certificate contained in said Form No. 11 to this Act. He shall also on the same day deliver or mail by registered letter to the returning officer a copy of the list so certified—

Then follow these words, which should not be in the section at all:

—and the returning officer shall forthwith transmit the same to the Chief Electoral Officer.

Their retention would deprive the returning officer of his only copy of the list.

Section agreed to.

On section 6—when new lists unnecessary:

Mr. MACKENZIE KING: What is that addition?

Mr. GUTHRIE: Subsection 1 of section 32 at present reads:

Except as provided in this section, it shall not be necessary to prepare new lists of voters for the purposes of any election to be held in any electoral district when there has been in that electoral district a previous election for which the lists of voters prepared are of record in the office of the Electoral Officer and there is an interval of less than two years between the dates of the writs for the two elections.

The proposed amendment is in the first line, and is made by inserting after the word "except" the following words: "at a general election and". The section will then read:

Except at a general election and as provided in this section,—

And so on.

Section agreed to.

On section 7—indexed copies of Act or excerpts therefrom for election officers:

Mr. GUTHRIE: That, I think, Mr. Chairman, is a great improvement. The present law is that a copy of the Act shall be given to these officials and they shall be allowed to study and interpret it for themselves. Under this proposal the Chief Electoral Officer shall get up in concise form the main and important provisions of the Act in a way that will be easily intelligible to the ordinary layman. It is hoped that in this way a great deal of the difficulty which we now find in interpreting the Act may be avoided.

Section agreed to.

On section 8—postponement of nomination day on death of candidate:

Mr. MACKENZIE KING: What is the change there?

Mr. GUTHRIE: Section 42 of the present Act reads:

Whenever from unforeseen accident, delays or otherwise, the proclamation in Form No. 19 cannot be mailed as in section 37 required, or whenever any candidate dies after being nominated and before the close of the polls, the returning officer shall fix another day for the nomination of candidates, which day shall be the nearest which will admit of compliance with the requirements of said section, and shall reissue and republish in manner provided by this Act said proclamation, with such necessary changes thereof as result from the postponement of the nominations. In every such case, the returning officer shall, with his return, make to the Chief Electoral Officer a special report of the causes which occasioned such postponement.

This section was held to be too indefinite to be any kind of guide to the ordinary returning officer; he would not know the number of days necessary to elapse and might innocently make a mistake in fixing the new date. The new section is more definite in its terms.

Mr. FIELDING: Suppose a candidate were to die the day after the election, or before the day of declaration and return,

would the returning officer have to return the dead man as elected?

Mr. GUTHRIE: Under the Act law as it has always stood, I do not think there would be anything else for him to do.

Mr. THOMSON (Qu'Appelle): This amendment seems to do away with the proviso "whenever from unforeseen accident, delay or otherwise", and to limit the occasion for postponement to the death of the candidate. Might not some other unforeseen accident or occurrence make a postponement necessary?

Mr. GUTHRIE: The Chief Electoral Officer thought that everything was pretty definitely determined by the law, and himself suggested that these words be taken out, and that the section should provide only for postponement in the case of the death of a candidate.

Mr. THOMSON (Qu'Appelle): If it were found impossible to take the necessary steps for an election before the proper date, what would be the effect?

Mr. GUTHRIE: We have provided for that in the general clauses.

Section agreed to.

On section 9—oath of secrecy:

Mr. GUTHRIE: Subsection 1 of section 52 permits each candidate to be represented by two agents or electors who are given the right to be present in the polling station. Subsection 2, however, requires only one of those electors or agents to take the oath, a limitation which seems an obvious error. The repeal of subsections 1 to 3 inclusive of section 52 and their re-enactment in the terms of the Bill is recommended.

Mr. MACKENZIE KING: The minister has said that the Bill follows word for word and without variation the recommendation of the Chief Electoral Officer. I find, however, that the Chief Electoral Officer recommends in this case the repeal of subsections 1 to 3, inclusive, of section 52 and their re-enactment in the terms following; then the "terms following" include clauses 1, 2 and 3. Clauses 1 and 3 do not appear in the Bill and clause 2 does not appear in the terms in which it appears in the report of the Chief Electoral Officer.

Mr. GUTHRIE: After discussing the report fully in the committee the Chief Electoral Officer himself undertook to remedy the defect by re-writing this amendment in the form in which it is printed in the Bill.

Mr. MACKENZIE KING: Then the amendment as it now stands has been approved by both the Chief Electoral Officer and the committee?

Mr. GUTHRIE: It was drafted by the Chief Electoral Officer.

Section agreed to.

On section 10—when polls shall be held:

Mr. GUTHRIE: The effect of subsection 1 of section 55 was to permit in certain by-elections seven days to elapse between nomination and polling. The Chief Electoral Officer thinks it would be better to make it fourteen days for all elections; consequently the special provision with regard to seven days, being the last paragraph of subsection 1 of section 55, is struck out.

Section agreed to.

On section 11—hours of polling:

Mr. GUTHRIE: The present section provides that the polls shall be opened at the hour of six o'clock in the forenoon in urban polling divisions and be kept open until six o'clock in the afternoon, and that in rural polling divisions the polls shall be kept open from eight o'clock in the forenoon until six o'clock in the afternoon. The practical experience has been that few if any votes have been cast before eight o''clock in the morning; the officials have been in their places, but the voters have not come forward to vote. The committee thought, therefore, that the change embodied in the present amendment would be satisfactory to all persons concerned.

Mr. MACKENZIE KING: I think it was suggested last year that the hour of opening should be eight instead of six. This change, like several others, follows the recommendation made from this side.

Mr. GUTHRIE: We will give my hon. friend credit for it, then, I do not remember it.

Mr. SINCLAIR (Guysborough): There is not the slightest necessity in rural districts of opening polls at eight o'clock and closing them at six o'clock; all votes can be polled between the hours of nine and five, and in those districts where there is not a very large number of voters, from nine and five is a long enough time to stay at the polls. I do not speak now about cities or towns where men are at their work and may want to go to the polls at a later or an earlier hour. In rural districts, the old law of opening the polls at nine and closing at five was very satisfactory.

Mr. GUTHRIE: It has been said—I do not know whether there is much foundation for the statement or not—that the hours are too short in the rural sections of Ontario, for instance, in certain rural polls where perhaps 350 votes may be cast. Time is not allowed for casting all the votes if voter after voter is challenged. In fact, many representations were made, prior to the last referendum in Ontario, that the hours of polling should be extended, if possible. There is also power in rural districts to add names at the polls, and that takes a little time. For those reasons, it would be well to keep to the hours of nine in the morning to six at night. Although I myself preferred the old method of opening at nine in the morning and closing at five in the afternoon, on account of the extra oath that may be administered it is necessary to give a little more time. We can see how this works out at a general election.

4 p.m.

Mr. McKENZIE: I notice the period between nomination and polling day is extended from seven to fourteen days all around. Has any corresponding change been made as regards the completion of the lists? There was some fixed time before polling day when lists had to be completed. Can the minister from memory tell me when the lists must be completed? Must they be completed before nomination day?

Mr. GUTHRIE: That has not been changed in any way. I could not from memory state the number of days. A tremendous number of calculations of time are involved, and while the Chief Electoral Officer has them at his finger ends, I have not. The only change in the section to which my hon. friend refers would affect certain by-elections. The Act of last session provided that in certain by-elections where there were lists, only seven days should elapse between nomination day and polling day. The general provision in the Act is that in all elections the period should be fourteen days. The effect of the present amendment is to make the fourteen-day period applicable to all elections, whether general or by-elections. Consequently, all the calculations of time that would apply with respect to the fourteen-day period, will apply under this amendment as well as under the Act of last session.

Section agreed to.

[Mr. Sinclair.]

On section 12—name, address and occupation corresponding closely to another.

Mr. McKENZIE: At what stage of the proceedings is a man called upon to take this very drastic oath? A man may be mistaken as to his qualifications. In the province from which I come, a man's name appears on the list, and it is taken for granted that he is a qualified voter. This sounds a little drastic—that a man should swear that he is qualified. He may make a mistake; there may be some property disqualification of which he knows nothing. This is a very far-reaching oath.

Mr. GUTHRIE: I can only say that my hon. friend's friends in the committee insisted on this oath. The objection which they took to this Bill was that this oath was not in the former legislation. I do not think the oath is any more drastic than the ordinary oath. A man who makes a mistake, if his mistake was a bona fide one, could hardly be chargeable, taking an oath of this kind, with committing the offence of taking an improper oath. In order that he may be so chargeable, the offence must be wilful and corrupt.

Mr. McKENZIE: It might be presumed to be done maliciously.

Mr. GUTHRIE: It might be; but all the oaths attached to the schedule to this legislation are equally strong in language, and they are drawn with the idea of making them as strong as they can be made. This oath was insisted upon by hon. gentlemen opposite in the committee; a legal gentleman, whom they had present as an expert, dwelt particularly on this oath, and the committee agreed that it should be inserted. The object of this clause, as pointed out by the Chief Electoral Officer, is that:

> There is no provision made in the Act for an oath to be sworn by a person who applies to vote and whose name, address and occupation is almost but not quite identical with a name, address and occupation appearing on the voters' list; in other words, no provision is made to meet the case of clerical or like errors made by a registrar or revising officer. When provincial lists were used at Dominion elections the procedure in such cases was ordinarily governed by the provincial laws, but now that special Dominion lists are always prepared, the Dominion Elections Act should, it would appear, specify a procedure to be followed. The insertion of a new section as section 57 A, and of a new oath as Form 32 A, in the following terms would meet the case.

Mr. SINCLAIR (Guysborough): I can see that that is a very necessary provision, but some difficulty might arise. Suppose the names of two men are similar. Let us say

that the name on the list is "John McDonald," and a man called John J. McDonald comes to vote on that name; he takes the oath, and he says that he is qualified. There is only a slight difference between the two names. When the real John McDonald turns up in a few minutes and wants to vote, what becomes of him?

Mr. GUTHRIE: The Chief Electoral Officer points out to me that the same difficulty would exist in regard to any name. Suppose the name "John Smith" is on the list, and a man comes along and says: "I am John Smith," and he swears to that. The thing has happened. The real John Smith may come along after this, and somebody has voted for him.

Mr. SINCLAIR (Guysborough): Is he debarred from voting?

Mr. GUTHRIE: In a rural division he certainly could vote by taking the oath. In an urban division there is also a special provision and a special oath to cover the case cited by my hon. friend.

Mr. SINCLAIR (Guysborough): Then they would both vote?

Mr. GUTHRIE: Yes. The man would have to take a special oath.

Section agreed to.

On section 13—application for recount on re-addition by judge:

Mr. McKENZIE: Do I understand this to mean that there may be a recount after the candidate has been declared elected? Did not the old law provide that the candidate must apply for a recount before the declaration day? It seems extraordinary that a man should be declared elected, a recount take place, and that he be declared elected again.

Mr. GUTHRIE: My information is that prior to the Act of last session there could be no recount until somebody had been declared elected. It was provided that, so many days after the declaration, the party aggrieved could apply for a recount, but until somebody was declared elected no application for a recount could be entertained. The provision here is that an application for a recount shall be made within four days after the declaration. The amendment goes further and provides that in cases where the judge has territorial jurisdiction over several ridings, in case there may be two or three applications to him for a recount, he shall take them in the order in which they come to him, and further, where one riding extends into two or three territorial jurisdictions of judges, provision here is made as to the judge to whom application shall be made. These were omissions in the Act of last session which we desire to clear up.

Mr. THOMSON (Qu'Appelle): The amendment provides that a recount may be had in case of an improper addition by the returning officer. The old Act provided for a recount in the case of an improper addition by the deputy returning officer. I think it is well that provision has been made to cover an improper addition by the returning officer, but why strike out the provision with regard to the deputy returning officer? Is not a mistake in addition just as serious in the one case as in the other? I presume that the intention was that the phrase "improperly counted" in line 24 meant "improperly passed as good," and I should like to know whether that was the intention. Also, is it not a fact that the deputy's count is taken by the returning officer unless it is shown to be wrong.

Mr. GUTHRIE: I think the question of an improper addition is covered by the language of this section. It says:

If within four days after the day on which the returning officer has declared a candidate elected it is made to appear, on the affidavit of a credible witness, to the judge hereafter described, that a deputy returning officer in counting the votes—

It is the deputy that does the counting.

—has improperly counted or improperly rejected—

That is, refused to count

—any ballot papers or has made an incorrect statement of the number of ballots cast for any candidate—

Would not that cover everything?

Mr. THOMSON: I think probably that last would cover it.

Mr. McKENZIE: Is not this a new section altogether as compared with the election law before the 1917 War-time Elections Act? I think the old law was entirely different.

Mr. GUTHRIE: I do not think it was different. This was taken from the old section No. 193.

Mr. McKENZIE: I think the old law contained provision for an appeal to the Supreme Court judge, but as I heard the Chairman read this section, I did not hear any such provision.

Mr. COPP: The last two lines provide that "all such recounts or re-additions shall proceed continuously from day to day until the last of them has been completed." Does that mean that there can be no postponement for any cause whatsoever?

Mr. GUTHRIE: I think the judge would always have jurisdiction to grant any reasonable postponement. That would be considered a proceeding from day to day.

Mr. COPP: An adjournment by the judge?

Mr. GUTHRIE: Yes.

Section agreed to.

On section 14—report by returning officer:

Mr. GUTHRIE: The section as it appears in the Act requires the returning officer to make a report as to the state of the ballot boxes or ballot papers as received by him. Now the returning officer, if he does his duty, never sees the ballot papers except in the case of a recount, and it appears likely that the clause was intended to refer to the election papers as received from deputy returning officers. The repeal of the subsection and its re-enactment in its present form is to prevent a misconception.

Mr. McMASTER: Section 2, subsection (f) of the Act defines the words "election papers" to mean all ballot papers including unused ballot books, lists of voters, and other documents used at a polling station. These words would therefore include ballots as well as the books kept at the different polls.

Mr. GUTHRIE: In subsection (1) of section 72, paragraph (b) of the Act as it stands, the returning officer, immediately after the election, is required to transmit by registered post to the Chief Electoral Officer a return of his proceedings, which return shall contain such observations as he may think proper as to the state of the ballot boxes or the ballot papers as received by him. Now, the term "election papers" includes ballot papers, but, as pointed out by the Chief Electoral Officer, the returning officer will never see the ballot papers. The deputy is the man who sees them put into the boxes. He seals the boxes and they are all forwarded to the returning officer with the other returns described under the term "election papers".

Section agreed to.

[Mr. McKenzie.]

On section 15—penalty for voting if disqualified, not qualified or incompetent

Mr. GUTHRIE: This section contains a provision which was omitted from the Act of last session. In the opinion of the committee it should be inserted now.

Mr. THOMSON (Qu'Appelle): I notice, in section 64, subsection 2, of the Act, provision is made for the laying of information, while there is no punishment meted out, and I am not sure that in some cases punishment should be inflicted. We saw in the referendum in our province, perhaps more clearly than we should see in a General election, what would be the effect of the application of this section if it were applied to all sorts of elections, such as that particular one. If the section were applied to referendum elections some unreasonable things might occur. For instance, though the referendum vote was province-wide, and affected every person in every constituency, many persons under the Act were shut out. This happened in the case of people living on the border line between two constituencies. I know of a girl, a teacher, whose home was in the town of Wolseley. She had lived there up to a short time before the election, but was not residing there at the time, having crossed the river Qu'Appelle to teach in a neighbouring school. According to the Act she was not entitled to vote anywhere, although as a matter of fact, I believe, the registrar in the polling district where she was living at the time of the election, put her name on the list without application on her part. Suppose that girl had voted, would she have been liable to imprisonment under this Act? It seems to me that a great many cases of that kind may and will occur. I believe that most of the offences that will be tried under the Act, under the provision that prohibits a person from voting where he is not entitled to vote, will be committed by those who feel they have a moral right to vote where they do vote, although technically they might be shut out. When a person finds himself accidentally on the voters' list in a district where he is living at the time of the election, even though he has not been living in the district the required length of time prior to the election, he will be tempted to vote, and it is not very probable that people generally will be aware of the provision of the Act which makes it an indictable offence to exercise what they may believe to be a moral right. Perhaps the minister will tell us what the effect would be if a person were placed on the

list, without his application, in a rural polling division where he lived, and he went in and voted. Would he be guilty of an indictable offence?

Mr. GUTHRIE: I cannot see what wrong he would be doing. In the first place, in a rural poll, he would have a right to vote on polling day.

Mr. THOMSON: Not necessarily. I am supposing a case where he had not the technical right to vote because he had come in from an adjoining constituency. There may be something more to be said in favour of punishing a voter in the case of a general election than in the case of a referendum. But suppose a person goes across the boundary line and, not having lived two months in the rural district where he desires to vote, he finds his name on the voters' list, although he had taken no part whatever in having it placed there. It is the most natural thing in the world that under such circumstances he would want to vote. If he did so, would he be guilty of an indictable offence?

Mr. GUTHRIE: In that case, I understand, he does not take the oath at all.

Mr. THOMSON: No.

Mr. GUTHRIE: Well, unless he deliberately and intentionally seeks to do a wrong in voting when he knows he is not entitled to voted, I do not think he would be liable to punishment. I grant that in the working out of this Act, particularly in endeavouring to apply it to the Canada Temperance Act, there were considerable difficulties to be overcome. But it was thought by this House to be far better to apply the Act than to pass new and elaborate machinery to take a single referendum. The difficulty which my hon. friend points out in Saskatchewan and Alberta was overcome in the province of Ontario by an amendment which we passed during the first weeks of this session. We allowed the provincial franchise in Ontario, so that a man, notwithstanding thet he was on the list for the city of Toronto, could vote in the city of Ottawa if he had been here two months; and if he went to a rural poll, he could vote in any case, no matter in what part of the province he resided, so long as he could swear that he had been two months resident in Ontario. When the votes were taken in the western provinces on the referendum, this difficulty was not anticipated and considerable inconvenience arose in consequence.

Mr. THOMSON: Perhaps I am taking up too much time over this, but I think there will be some difference of opinion as to the meaning of some of these clauses. This section, for instance, speaks of a person who votes or attempts to vote, knowing that he is for any reason disqualified, non-qualified, or incompetent to vote. Now, a person whose name has been placed on the voters' list may say he is not disqualified. He is not non-qualified or non-competent because his name is on the list and he has been asked to vote, but would he, because he was a few days short of the time, be liable to criminal prosecution by reason of voting when his name was placed on the list without any request of his own.

Mr. GUTHRIE: I do not see how any man could get his name on the list without any request of his own, under this law. In the first place the rural enumerator takes as a basis the provincial list where there is one that is not more than two years old. There is a provision, in addition, for a man to apply to get his name on. How then does somebody else get this fellow's name on the list?

Mr. THOMSON: I am talking of the practice in our part of the country. I do not think that we have, in the rural parts of Saskatchewan—but as to that I am not sure—any list to start with. I think the general practice is for the registrar or enumerator in the first place to make out a list of voters in the polling district. He knows that a certain person is living in the district, and he thinks that person is entitled to vote and he puts his name on the list. The person in question sees his name on the list and very naturally says "I am not disqualified, I am not non-qualified, I am not non-competent, for they have put my name on the list. Therefore I vote."

Mr. GUTHRIE: I doubt very much whether any one could prosecute that man.

Section agreed to.

On section 16—voting on advanced polls.

Mr. KING: Is there any change there?

Mr. GUTHRIE: Under subsections 9 and 10 of section 100 as it now stands, certificates entitling a voter to vote at an advanced poll may be issued at any polling division by the registrar or the revising officer. Both urban and rural registrars are thus entitled to issue these certificates, although the urban registrar prepares only

a preliminary list which may be substantially changed by the revising officer. Transfer certificates, under section 53, can be issued only by the revising officer in urban polling divisions, but a corresponding limitation with respect to certificates to voters at advanced polls would prevent possible irregularities. This would involve the repeal of section 100 subsection 9, paragraph (a) and the first line of section 100, subsection 10, and of the substitution therefor of the following, —the amendments being indicated in italics. Then in the Bill we have the amendments suggested.

Section agreed to.

On section 17—issue of certificate gratis to applicant for vote at advanced poll.

Mr. GUTHRIE: That is just consequent on the last section.

Section agreed to.

On section 18—attendance of officers and notice of time and place.

Mr. GUTHRIE: That is for the general information and convenience of those persons entitled to vote at advanced polls.

Section agreed to.

On section 19—no amendment to apply to election for which writ is issued within three months, except after notice.

Mr. GUTHRIE: This is by way of safeguard in order to provide time for the necessary printing to be done in case amendments are made by Parliament at any session and an election held shortly thereafter. The note I have from the chief electoral officer is as follows:

Amendments of the Act often, indeed almost always, involve change in the forms and instructions, and if they go into force suddenly, upon receiving the Royal assent, grave inconvenience might arise and irregularities ensue by reason of the use in an immediately following election of forms and instructions for the reprinting of which the interval was insufficient. The insertion in section 102 of the following is recommended to cover this point and authorize consolidation of amendments to the Act.

Section agreed to.

On section 20—new forms substituted.

Mr. GUTHRIE: The reason for this is that it was found, notwithstanding the care that was exercised in the preparation of the forms last session when the Act was passed, that there were very important clerical errors in the forms, some of them very serious and some maybe exceedingly misleading. In the interval the forms have been thoroughly revised, and we think all such irregularities, all such clerical errors, have now been eliminated. The proposal is, and it has met with the hearty approval of the committee, that the forms should be re-enacted.

Mr. COPP: All of them?

Mr. GUTHRIE: All of them, in order that we may get rid of the old forms, which were open to a good deal of doubt, and have an entirely new set, and that is the object of the next two sections. There is one other form which is even omitted in this compilation and which the Chief Electoral Officer has handed to me. Perhaps I can deal with it now. It will be known as "Form No. 29" under section 53, "the form of oath in Transfer Certificate." It is apparently the ordinary oath but was omitted in the book. This is to take the place of the one in the old Act which the Chief Electoral Officer says is inadequate. The form of oath is as follows:

Form No. 29 (S. 53)

Oath on Transfer Certificate

I, (Name) of (address) (occupation) do swear (or affirm) that:

1. I am the person described in the transfer certificate which I produce authorizing me to vote in Polling Division No. instead of in the Polling Division No. in the electoral district of :

2. I am a British subject of the full age of twenty-one years and have ordinarily resided in Canada for the year and in this electoral district for the two months immediately preceding the day of 19 , (naming the date of the issue of the writ of election).

3. I am not within any of the classes of persons who lack qualification or are disqualified by reason of appointment to judicial office, employment for pay or reward in reference to the election, place of birth, race, crime, mental incapacity, the receipt of public charitable support or disfranchisement for corrupt or illegal practices.

4. I have not already voted at this election and have not been guilty of any corrupt or illegal practice in relation thereto, So Help Me God.

Sworn (or affirmed) before me at the polling station for polling division No. this day of , 19 .

.....

Deputy Returning Officer.

This is the oath which applies to those persons who vote on transfer certificates, scrutineers, and the like.

On the schedule.

Mr. MACKENZIE KING: Have all these forms been approved by the Chief Electoral Officer and by the Committee on Privileges and Elections?

Mr. GUTHRIE: Yes, they have all been drawn by the Chief Electoral Officer and approved by the committee unanimously. Form 29 is the one I read.

Mr. McMASTER: Speaking as a member of the Committee on Privileges and Elections, I do not remember that we ever went over all these forms. We took the word of the Chief Electoral Officer and of the minister that the forms were consistent with the Act, and that the changes made in them were merely so that the forms would dovetail—to use the minister's expression—in with the Act itself. But I should not like the committee to receive the impression that the Committee on Privileges and Elections had really worked over these forms.

Sir GEORGE FOSTER: If not you ought to have done so.

Mr. EULER: Before we go on with the schedules, Mr. Chairman, am I in order in proposing an additional clause?

The CHAIRMAN: The hon. member would certainly be in order in proposing an additional clause now, but as we have already started on the schedule, and as I understand the minister desires to dispose of clause 3, if the hon. member will allow the present amendment to be proceeded with he will have an opportunity later to move his additional clause.

Mr. GUTHRIE: I beg to move that the section be amended by striking out Form 29 and substituting therefor the form which I have just submitted.

Amendment agreed to.

Schedule as amended agreed to.

On motion of Mr. Guthrie the committee returned to the consideration of section 3—revising officers.

Mr. GUTHRIE: Under the Elections Act passed last session judges would certainly have been entitled to fees but for the provisions of the Judges Act. Under that Act it has been held that a judge performing services during an election could not receive fees. The judges have performed a lot of pretty hard work in this connection, and it has been suggested to the Chief Electoral Officer—not to the Government or any member of it—that they might receive reasonable remuneration for such services. The Chief Electoral Officer points out that if Parliament wants the lists to be revised by judges provision for payment will have to be made, and that if we do not make such provision the greater part of the lists will be revised by substitutes appointed by the judges.

Mr. McMASTER: Who would be lawyers?

Mr. GUTHRIE: Yes; but the substitutes will be paid. If it is the desire of the House to utilize the services of judges for this work, I fancy that as a practical matter we will have to make provision for their payment. A judge has power under the Act to appoint substitutes, and it is absolutely necessary that that power be given because in many ridings, such as Toronto, Montreal, and the like, a judge cannot do all the work and substitutes are a necessity. If the judges find they are not going to receive anything for their labours, they will not work any harder and substitutes will be appointed. Personally I do not favour paying judges, and it is a suggestion made by the Chief Electoral Officer for the working out of the Act. Whatever the committee decides will be agreeable to the Government.

Mr. FIELDING: My hon. friend does not state in so many words that the judges, although paid servants of the country, will not do their duty under this Act unless paid extra, but that is the implication. I am quite willing to have our judges well paid—and I have supported every proposal to increase their salaries—but I hope the suggestion is not justified that they, who should be the highest exemplars of good citizenship, will not do their work without receiving extra pay, although they are already paid liberal salaries. If we want the judges to do this work, it is part of the public service for which they are already paid, and they have no right to receive extra payment for it.

Mr. GUTHRIE: We have not placed this as an obligation on the judges; they have the option under the Act of doing it or not doing it. The idea I intended to convey was that if they get nothing for their services they will probably appoint substitutes to do the work, and those substitutes will have to be paid; but if the provision in this amendment were to pass, judges doing the work would receive the same remuneration as their substitutes.

Mr. FIELDING: I think my hon. friend can provide that it is incumbent on a judge to do this work in so far as his other duties will permit him, but where that is not the case he will be allowed to appoint

a substitute. I am obliged to repeat my former observation that the time a judge devotes to this work is time for which he is already paid.

Mr. McKENZIE: I do not quite agree with my hon. friend from Shelburne and Queen's in respect to what should properly be regarded as the duties of judges. The duty of a judge in administering the law is a part of his profession, and he certainly should not get any extra payment for the discharge of that duty; but when we take him away from that and ask him to do work that has nothing to do with his calling or training as a lawyer, we are asking him to do something which his salary as a judge is not intended to cover at all. The minister has not said anything about the point I raised in regard to those salaries. There must be substitutes, and there is no provision made for their payment in the amendment read by the Chairman. If an account came to the hands of the Auditor General for payment of such work, I think he would be disposed to say, "there is no provision under this Act for passing this account." If this provision for paying a judge is made to read that it shall also apply to the man he appoints in his place, I think it would very much simplify matters, and we would not be troubled with what construction a taxing officer might put upon the law. If the judges are called upon to do work which is outside their regular duties they should be paid for it just as anybody else would be paid for it.

Mr. FIELDING: But a judge who does that work is devoting his time to a service which has no relation whatever to his duties of office.

Mr. McKENZIE: But he has to do the other work as well.

Mr. EULER: Will this provision apply in the case of judges who issue voting certificates under section 29?

Mr. GUTHRIE: Under the present tariff, framed under section 76, the whole fee to which a judge or his substitute would be entitled, for doing all the work in connection with an election would be $50.

Mr. THOMSON (Qu'Appelle): It would seem to be the general policy of the House to avoid extra payments to judges, and to let them depend on the salaries which we vote them. I think there is a great deal in the contention of the hon. member for Shelburne and Queen's that when we assign

a salary to a judge we are paying him for such time as he is able to give to the service of the country. I know, and the minister himself knows, that there are some judges who have not much to do, but who get the same salaries as those who have twice as much to do; I think that is why the minister himself is not wholly in favour of his amendment. Some judges have very little to do; others have too much to do. In the case of the judge whose duties are so great that he has no time to give to such services as these, it is well that we should have a provision enabling him to engage some one else to do it. But where the judge himself does the work—and a great many of them will feel that they themselves should do it—I do not think they should be given extra pay, because if that judge has not enough work to do there is no reason why he should not give gratis the time for these duties. There is no reason why the judge who has only half enough work to keep him busy should get extra pay which the busy man is not in a position to get. I think, therefore, that the amendment should be voted down.

Mr. McKENZIE: Every province has its set times and places for holding courts in all districts. The time for the opening and closing of the court is set. The judges must hold chambers on certain days of the week. The judges must have time to keep abreast of their profession and thus be enabled to discharge properly their duties as judges. But you cannot put judges out at statute labour between times; you cannot send them to follow threshing mills and do that sort of thing. That is not their business. They are called upon to do certain work at certain times and outside of that we have no claim on their time.

Mr. McGIBBON (Muskoka): I agree with the hon. member for Shelburne and Queen's. The judges should be well paid. I think that since I have been in this house we have twice increased the salaries of judges. If those salaries are not sufficiently high we should increase them still further. But I do object to any particular class of people having their salaries increased indirectly through fees and commissions and things of that kind. I notice, of course, the very earnest manner in which the lawyers of the House come to the defence of the judges, not only on this occasion but on every occasion. I am not saying they should not, because they all

have prospective judgeships in mind, I presume.

Mr. McMASTER: Perish the thought!

An hon. MEMBER: Order.

Mr. McGIBBON (Muskoka): I think the principle is bad, Mr. Chairman. I do not think that judges, especially judges of the county court in Ontario, are worked very hard. In fact, any of them with whose work I happen to be acquainted have a very easy time. Some of them hold court three or four times a year, three or four days each time, and they are quite free not only to leave their districts at times, but occasionally to leave the province and sometimes the country for long periods.

Mr. JACOBS: That is because the doctor orders complete rest.

Mr. McGIBBON (Muskoka): I hope my hon. friend will have a very considerate physician when he reaches that stage. As I say, the principle is absolutely wrong. The judges are certainly supposed to give all their time to the country's interest, and if these matters come under their jurisdiction I do not think they should receive extra pay.

Section agreed to.

Mr. EULER: Before the Bill goes out of committee I would like to suggest the addition of a clause, amending section 29 of the Dominion Elections Act of last year. I directed the attention of the minister and of the Government last year to what I thought was an injustice in connection with the disfranchisement of certain citizens. At that time the Government gave us an amendment which corrected the wrong to some extent but which in my opinion did not go far enough. Believing as I do that a thing is not settled until it is settled right, I am going to suggest to the minister the addition of a clause which will remove entirely what I believe to be an injustice to a large number of Canadian citizens.

I should like to explain briefly the significance of the clause to which I take exception, subsection 2 of section 29. It is that all women of alien origin who are married to British subjects and by virtue of that marriage have themselves become British subjects are not given the vote as are their sister British subjects in this country, without being put to the necessity of appearing before a judge to whom they must show cause why they should be granted a voting certificate. In effect, while it is possible for these women to obtain voting privileges, the provision results in the practical disfranchisement of 100,000 or more people who are citizens of Canada under the law. I want to suggest that the conferring of citizenship should carry with it the franchise without unnecessary restrictions. In my opinion the minister offered no convincing reason last year why an exception should be made in the case of these women. To-day we have a condition whereby not only women of former enemy alien origin but women who come from France or Belgium or Italy or Russia, if they are married to Canadian citizens and have thus become British subjects, are debarred from voting if they do not go to the trouble of appearing before a judge. I will admit frankly that a good many people in my constituency are affected by this. I think many more are affected in the western provinces. I would again urge upon the minister to go the whole length of removing this grievance and of allowing British citizenship to carry with it the right to vote. Under the British law, so soon as a woman marries a British citizen, she herself becomes a British subject. She should by right have the vote as have other women who are citizens of Canada.

One other point has, perhaps, been lost sight of. Under the law, when a man of foreign origin becomes naturalized, the minor children of that man also become British subjects, and in the past, on attaining the proper age, they have been allowed to vote. Under the law as it now stands, even those men who, perhaps, for many years have been voting, are put to the necessity of appearing before a judge and obtaining a voting certificate. That is wrong; it is an indignity to those people; it is not fair. Practically the only privilege that goes with British citizenship is the right of the ballot, and this Government should not place itself in the position of giving citizenship with one hand and taking away the greatest privilege of citizenship with the other. For that reason, I move that the following clause be added to the Bill as clause 22 thereof:

22. "Subsection (2) of section 29 of the Dominion Elections Act, chapter forty-six of the Statutes of 1920, is hereby repealed."

Mr. NICHOLSON (Algoma): I take it from the remarks of my hon. friend (Mr. Euler) that the intention of the amendment is to make provision by which any woman, it matters not from where she comes, who marries a British subject, shall at the moment be entitled to the franchise

in Canada. Am I right in my interpretation of the hon. gentleman's proposition?

Mr. EULER: If she fulfils the other conditions.

Mr. NICHOLSON (Algoma): Under that condition the native of an enemy country, who has been in Canada long enough to become a British citizen, who returns to the country of his origin, who marries a citizen of that country and who immediately returns to Canada, will automatically create a new elector in this country. If we take the ground that a woman gets the franchise merely by right of her husband having the franchise, there might be something in what the hon. member says; but I think all will agree that when we granted the franchise to women, we felt that we were giving the franchise to an independent body of electors who would be themselves responsible for the position that they took when they cast ballots, who would themselves decide which side of the question they were going to vote on. I do not think my hon. friend would argue that a woman, coming into this country from Eastern or Central Europe, one of the enemy countries, if you will, or for that matter, any other country, who has no idea whatever of what the ideals of Canadian citizenship are, who has never had an opportunity of understanding what they are, who simply becomes the wife of a man who, perhaps, was born in Canada and who understands them, automatically, by reason of her marriage, becomes a British citizen entitled to the franchise in Canada.

Mr. EULER: Would my hon. friend say the same thing of a Mexican woman who marries a Canadian citizen, a British subject? Should she be entitled to vote? She is, under the Act, and so is a negress from the West Indies, but a woman from France, Belgium, Italy or Germany is not.

Mr. NICHOLSON (Algoma): My personal opinion would be, if the hon. member wants that, that no man or woman, who comes from any country, the ideals of whose citizenship are wholly different from or opposed to the ideals of Canadian citizenship, is competent to exercise the franchise in this country, until he or she has lived here long enough to understand something of what Canadian citizenship means. There is in the Act a provision that makes a difference for citizens of North American countries because it is recognized that people born on the North American continent have ideals largely the same as ours.

[Mr. Nicholson.]

Mr. JACOBS: Is it because they are born on this continent that they have similar ideals?

Mr. NICHOLSON (Algoma): Because they are trained here, because they are educated here, because they live under conditions similar to those that we have. That cannot be said of citizens of Eastern and Central Europe. I think my hon. friends will agree with that, and I will not labour the point. My position is simply this: I am wholly opposed to the idea behind the suggestion that, merely because a woman, coming from an enemy country or, for that matter, a friendly country, whose ideals are wholly different from ours, marries a man who is entitled to the franchise in Canada, she shall receive the franchise. In the first place, such a proposition is a direct contradiction of everything underlying the granting of the franchise to women. If a woman is to vote simply because her husband has a vote, you are simply giving the man two votes; you are not setting up an independent body of electors, and that was the idea behind the whole question of granting the franchise to women. At this time, during the years following the war, during 1920 and 1921, large numbers of men from the newer parts of Canada are going back to the countries of their origin; a very large number of them will return with their wives, newly married. These men may have been living in Canada for many years; they may know something of Canadian citizenship; but it cannot be argued that, because of that fact, their wives know something of Canadian citizenship. Their wives, if they receive the franchise, will be, in political affairs, mere automatons registering the opinions of their husbands. I do not think the hon. gentleman can offer anything in the nature of a sound argument for the granting of the franchise to a woman solely because her husband has the franchise.

Mr. THOMSON (Qu'Appelle): The arguments of my hon. friend may be very convincing to himself, but I am sure they are not convincing to any one who has given the subject any consideration at all. He deals entirely with an exceptional case and there is no reason why the exceptional case which he suggests should not go before a judge, get a certificate and vote. The only difference is that the applicant is put to some trouble. He must surely see that the exceptional case which he suggests is not touched by this at all. Another exceptional

5 p.m.

case is put up to him, but he ignores it entirely. Is a woman coming from France, who is not permitted to vote under this legislation, any worse than a woman coming under similar conditions from Mexico? My hon. friend does not care to deal with that. That is exactly the position of the Act as it stands at present. That is what he is defending. He puts up an exceptional case, and the Act does not touch the exceptional case at all because the woman to whom he objects to give the franchise can vote under this Act. All that my hon. friend (Mr. Euler) is asking for is that a woman should not be put to unreasonable trouble, and I think he is right in his contention. I do not think the circumstances in his constituency are as bad as they are in others. I know, in many parts of the West, this will simply mean shutting out from voting women who have lived in the West for the last thirty or forty years and who have become thoroughly good Canadian citizens.

Mr. NICHOLSON (Algoma): Can these women not go before the judge and qualify the same as their husbands?

Mr. THOMSON (Qu'Appelle): Certainly, and so can people coming from alien enemy countries. Don't shut these people out at all; if they want to go before the judge, let them go. I think that you will find that the bigger proportion of the crooks who want to do some harm to the country—Reds, if you like, thorough Bolshevists, who want to upset the institutions of this country—will go to the judge and get the right to vote, while the honest, hard-working woman who thinks of her home, and is a good citizen, will not go as a rule. That will be the effect of the law as it stands now.

Mr. JACOBS: The hon. member who has just taken his seat (Mr. Thomson) has expressed my view exactly. There is nothing in the world to prevent these women from voting; if they parade before the judge and exhibit their finery to him, they will obtain their certificate. And that is what we object to. Why should the women be put in a different position from the men? As soon as a man holds his British certificate of citizenship, he holds it out to the world and can go to the poll and cast his vote for any person he likes. But a distinction is made with regard to the women. They are British subjects by the fact of their husbands' naturalization, and we say that no good purpose can be served in the world by having these women apply to the court during the period of an electoral campaign for the purpose of receiving from the judge a certificate to the effect that they are entitled to vote. The only reason why that provision was introduced was because the Government felt that these women, who are supposed at times to act by intuition, might know who were their friends and who were not, and vote against the Government. That is the only reason I can see why this was introduced. It is silly, and it is against the principles of British fair-play; it is a departure from the ordinary rules, and it should at once be abolished. There is an old saying that people ought to repent before death, and this is a fine opportunity for the Government to do so. It is said of someone that the finest thing he did in his life was the way he went to his death, and I think it would be fine for the Government, before they finally eliminate themselves, to perform this act of pure and unadulterated justice to this class of the voters in this next election. After all, there may be some women who may vote for this Government; in certain antediluvian sections of this country there may be some women who have not read of the record of this Government, and may vote for them. But if it were pointed out to them that this Government is no friend to the women, that it put every possible objection in the way of their voting, I ask you on which side would the women cast their votes, regardless of the record of the Government? Most certainly they would cast their votes for the people who were in favour of giving to women the widest measure of liberty in the matter of the franchise. We argued last year for a considerable time the absurdity and the anomaly of the law as it then stood. We pointed out that women who married British subjects and who came from parts of Central America, where certainly the ideals are not any higher than they are in France or Belgium, or in the Scandinavian countries, would have the right to vote while the woman from France or Belgium or these other countries would not have the right to vote. Is this law going to have the effect of barring out the women that my hon. friend from Algoma thinks it will have? I say that it will not have that effect. The thing is an absurd piece of legislation. I venture to say that in no other country in the world have they such legislation as this, and surely hon. gentlemen on the other side of the House, many of whom are more

or less intelligent, cannot possibly vote against the resolution of my hon. friend from North Waterloo (Mr. Euler) without having to explain to their electors and the country at large their reasons for doing so.

Mr. NICHOLSON (Algoma): I am ready to admit my denseness, but I must nevertheless say that what I have heard from my hon. friend from Qu'Appelle (Mr. Thomson) and my hon. friend from George Etienne Cartier (Mr. Jacobs) has not converted me, but rather has it convinced me that I was right in the first place. As to what my hon. friend has said with regard to women from Mexico, if he wants my personal opinion, I am opposed to giving the franchise automatically to a man or woman from any country, I care not which, who does not understand something of the ideals of Canadian citizenship. If the provision in the Act is wrong that makes it possible for a Mexican woman to have that right, I would hold up both hands for amending the law and making it impossible for her to have that right.

Mr. JACOBS: Wherein do the ideals of French citizenship differ from those of Canadian citizenship?

Mr. NICHOLSON (Algoma): I do not know that they differ at all, but one thing I know, and that is that the language of the average French citizen is different from the language of many Canadian citizens.

Mr. JACOBS: French is an official language in this country, and in this House.

Mr. NICHOLSON (Algoma): I appreciate fully what is in my hon. friend's mind. I know we have a dual language system, and I have no objection to it in any sense whatever. But that does not answer the argument at all. The whole argument in favour of granting the franchise to women because their husbands have the franchise is based on the supposition that the woman automatically becomes a British subject because her husband is. Now, becoming a British subject does not carry with it the right of the franchise; there is no question about that.

Mr. JACOBS: It should.

Mr. NICHOLSON (Algoma): But it does not. What underlies this whole question is simply this: When the franchise was granted to women I think it was recognized by those who advocated it that the women were going to be an independent body of electors, exercising their own judgment and having their own opinions, and not simply following the opinions and judgments of their husbands. My hon. friend says that because a man goes before a judge and takes the oath of allegiance and becomes a British subject, he can then marry any woman he pleases and she automatically becomes an elector.

Mr. JACOBS: She should not have to go before the court; that is onr objection.

Mr. NICHOLSON (Algoma): She should have to go; there is no reason why she should not qualify the same as a man. If it is necessary for a man to undertake certain obligations and possess certain qualifications in order to become an elector in this country, it is necessary that the woman who is exercising the same franchise and has equal privileges and responsibilities should be in identically the same position as the man, and that is what the Act calls for.

Mr. CRERAR: When my hon. friend from North Waterloo (Mr. Euler) brought this matter before the House a year ago, when the Franchise Act was under discussion, I supported the position he took then, and I am very glad to support it again to-day notwithstanding the arguments that have been advanced by my hon. friend from East Algoma (Mr. Nicholson).

There may be something said for this position: that the woman coming to Canada in the future and marrying a Canadian citizen should be required by personal naturalization to qualify for the right of exercising the franchise, but there is absolutely no defence for the position of affairs resulting from the existing section in the Act which my hon. friend from North Waterloo wishes to have repealed. We have, not single isolated cases, not scores, not hundreds, not thousands, but tens of thousands of cases in this country, of women who have been living in Canada, some of them for as long as fifty years, who are disqualified under this section from voting until they have secured, often with very great difficulty, the necessary certificate from a judge.

Mr. NICHOLSON (Algoma): Can these women not go before a judge and get the right to become elected?

Mr. CRERAR: Why should they have to do that?

Mr. NICHOLSON: Why should a man have to do it?

Mr. CRERAR: He does not have to go before the judge.

Mr. NICHOLSON: He has to go before the judge to be naturalized.

Mr. CRERAR: Let me cite an illustration. An American citizen, a person who owed allegiance to the United States, came to Canada, say, in 1900, bringing with him his wife. He qualified in due time as a British subject, and secured the right to exercise the franchise. By that very act his wife has always been recognized in Canada, up to the present time, as a British subject. There is no question as to his right to vote, because he has qualified. Now, according to this Act, his wife must go through all this formality—

Some hon. MEMBERS: No.

Mr. CRERAR: Pardon me; it is one of the anomalies of the Bill that it does not apply to a woman born in America; I am taking the wrong case. But let us take the case of a French woman or an Icelandic woman, or a Norwegian, or a Swedish woman—and we have thousands of these people in the country. These women have to go personally before a judge and comply with all this formality in order to be able to exercise the franchise.

Mr. NICHOLSON: So has the man.

Mr. CRERAR: No. The man has been a British subject and his wife has been recognized as a British subject in this country for years, but there is a discrimination against the woman, in this section of the Act, that should not exist. As my hon. friend from George Etienne Cartier (Mr. Jacobs), and my hon. friend from Qu'Appelle (Mr. Thomson), pointed out, a Mexican woman coming to Canada is not under the disability that has been placed upon the French woman or any of the others I have mentioned.

Mr. GUTHRIE: Mexican women do not come, as a matter of fact.

Mr. CRERAR: They may not, but they can, as a matter of law, and my hon. friend knows they can. It is not an argument to say that they do not, for the law expressly provides that they can come.

Mr. JACOBS: And so can a coloured woman from Georgetown.

Mr. CRERAR: Yes. Such a woman can marry a Canadian citizen and by that fact she is entitled to the franchise without going through this formality. Why place this discrimination on these other women? There are thousands of Icelandic women in Western Canada, born in Iceland, some as long as fifty or so years ago. They have been living here, claiming and exercising all the rights of British citizenship, and yet, under this provision, they are not qualified to vote, while their husbands may have been qualified for a generation. That is not a desirable condition of affairs. If the minister in charge of the Bill drew the line at the present time and said that henceforth every alien woman coming to Canada, whether from the United States, from Mexico, Iceland, Germany, Russia, or anywhere else, must personally naturalize and qualify for the franchise, something could be said to support that position. But this discrimination should not be continued, and I suggest to my hon. friend that he might very well settle the matter in that way, which, I believe, would be entirely acceptable to the hon. member for North Waterloo (Mr. Euler). What is complained of is the disability placed under this section upon women who have been in Canada for perhaps two generations. That is wrong and should be remedied, and I think my hon. friend from North Waterloo has stated in very reasonable terms a perfectly fair proposition to the Committee.

Mr. MACKENZIE KING: The question which I should like to have answered in connection with this subject is, how a woman is to go before a judge if there is no judge before whom to go. That is the real problem presented by the Act as it stands at the present time. In many constituencies there are only three or four judicial centres, and in order for a large majority of women electors to become entitled to vote under the law, they have to go some ten, twenty, thirty, forty, fifty, and in some cases, one hundred miles, to obtain the voting certificate. That is a physical impossibility, and very costly in the case of a large number of citizens. That is a feature of the Act that requires to be looked into. I made the suggestion earlier, in regard to another section of the Act, that the Committee on Privileges and Elections might be asked to consider one or two of these features of the Act, and report upon them to the House before the close of the session. I should like the minister to consider that suggestion in regard to this amendment; if he cannot accept the amendment outright, the Committee on Privileges and Elections might look into this particular matter in view of the injustice which it occasions to thousands of women electors who are about to exercise the franchise now for the first time. Un-

fortunately, there is not in Parliament any woman to voice the women's point of view on this disability as women see it. Happily, however, I happen to have here an article which has been written by a woman who has given careful study to this particular section of the Act, and which presents in a manner that I think will appeal to hon. members, the real nature of the difficulty involved in the section as it stands, and the great injustice which it does not to hundreds but to thousands of women who are British subjects in this country. The article in question appears in the Manitoba Free Press of May 2, and is written by Miss Mary P. McCallum, assistant secretary to the Canadian Council of Agriculture. I shall not read the whole article, but the part that relates to the point brought up by my hon. friend from Qu'Appelle, where he spoke of the inconvenience to which numbers of electors are put, and the unnecessary trouble which is entailed upon them in consequence of this section. The article says:

> The most serious difficulty is that of the inaccessibility of judges to most rural residents in the prairie provinces. There are not more than one or two judicial centres in each federal riding. In one at least, Last Mountain, there is no court centre. Each judge has an itinerary of three or four places in his judicial district where he holds district court once or twice a year. The court sits at these points usually for not more than a day. The majority of persons who require these certificates reside scores of miles from any place where the judge is scheduled to hold court. Railways are not convenient which may require an awkward change of trains, long delays, hotel expense, etc.

Hon. members will see from that statement that women under the Act as it stands now have to know, first of all, the one day of the year on which a judge may be at a particular centre, and then may have to travel hundreds of miles in order to get the voting certificate. I am sure that if hon. members appreciated the real nature of the working of this section of the Act, they would not willingly inflict this injustice on a large number of British subjects. Take a concrete instance, which is the next point mentioned in the article, of the by-election which will be held in Medicine Hat in the near future. Here is the exact statement as to how the Act will operate in connection with this one by-election:

> This may be illustrated by taking the case of Medicine Hat. There is to be a by-election there some time this summer to fill the vacancy created by the death of the late Hon. A. L. Sifton. There are parts of three judicial districts in Medicine Hat, but in all, the judge holds court at only five points in the entire riding, which is 192 miles long and 66 miles wide. Three railways run east and west across the constituency. A woman at Iddesleigh at the western edge of the riding on the Empress-Bassano branch of the Canadian Pacific railway, enquired where she must go for her "voting certificate". She may go to Empress, 118 miles away, on June 14, when the district court sits, or to Calgary, 138 miles away; or to Medicine Hat, 148 miles distant, changing trains in either of the latter two cases. In these times the cost in money and time is prohibitory and amounts to disfranchisement.
>
> Compared to McKenzie or Humboldt or Victoria constituencies, Medicine Hat cannot be said to be largely a non-English constituency but the disfranchisement in Medicine Hat is not inconsiderable.
>
> Taking the case of women only, according to the census of 1916 there were 3,246 females in the electoral riding of Medicine Hat who were not British born. According to the same census three-fifths of them would be of voting age. This leaves about 2,000 women born in foreign countries and of voting age. In Alberta 18 per cent of the people in 1916 were born in the United States. This percentage, applied to the women in this constituency leaves something over 1,500 women of foreign birth outside the Continent of North America who must travel to one of these five points and obtain their "voting certificate" to enable them to vote in the by-election this coming spring or summer.

Now there is the case of just one constituency with respect to the pending by-elections, and what is true of that constituency is more or less true of every constituency in the Canadian west, and is true in a large measure of constituencies in other parts of Canada as well. If these facts are correct—and I challenge the minister to dispute them at all—it will be apparent that this Act, instead of being an Act to enfranchise women voters, is going to disfranchise thousands of British citizens in this country. Is it any wonder, therefore, that the writer of this article concludes with the following paragraph:

> The Government may deny the disfranchising effect of the Elections Act on technicality. But it disfranchises on a scale not approached by the War Time Elections Act. That Act affected the persons of enemy alien extraction, but it did not touch the Dane, or the Frenchman, or the Hollander, or the persons of any other friendly foreign country. Now, it says to all persons of foreign birth, who have been naturalized by operation of law, except those born in the United States, no matter whether they have voted in this country for the last thirty or forty years, that they are no longer British subjects and may not vote until they produce evidence by a most roundabout and inconvenient method, that they are qualified to vote. Their thinking process in their adopted English is likely to get a very stubborn hold of one fact, namely, that they are disfranchised. Professions of lofty motives on the part of the Government are likely to excite still more their resentment and not to interest or mollify them at all. Unless something is done soon to re-establish their pre-war confidence in Canadian men and Canadian institutions the thin edge of the wedge of disruption already will have been driven into

the life of Western Canada. With absolute power virtually to disfranchise thousands of persons, does it look as if the next election is to be the free and unbiased opinion of the whole people of Canada upon the issues engaging the Government of the country?

I contend that that statement, which is from a woman's point of view on a matter which affects the women voters of this country, is entitled to the most careful consideration of this House. I think, on the face of it, it clearly discloses the truth of the statement that the Act, as it stands, disfranchises thousands of British subjects; and I would therefore repeat, in order that the matter may be dealt with in as thoughtful and careful a way as possible, that I think the minister would be well advised if he would allow the Committee on Privileges and Elections to take this representation, by a woman of this country, on behalf of the women of Canada, and consider this section of the Act in relation to these representations, and see if it is not possible to make some amendment which will serve the purpose which is most needed. May I point out this fact: If it is not possible for the minister to see his way to amending the Act, so as to prevent it being necessary for women to travel these hundreds of miles on one particular day to get a voting certificate, perhaps the law can be amended in a way that will fix a certain date by which judges would be required by itinerary to visit the different parts of these constituencies so as to give the voters there a chance to obtain their voting certificates. I think the Government should seek to meet the people, rather than that the people should be obliged to run after some officer of the Government in order to obtain what is the just and right privilege of every British subject.

Mr. GUTHRIE: This question comes up before the committee rather irregularly because it forms no part of the Bill under discussion; but the leader of the Opposition intimated on the second reading of the Bill that he would like permission for the discussion of one or two amendments which were not incorporated in the measure, and for the purpose of discussion we readily agreed. However, I had not at that time any idea that this question which was so thoroughly discussed eleven months ago, was going to be re-introduced into the House again to-day. I know of no clause in the Franchise Act of last session which occupied quite as much time as the question under discussion to-day. After the most prolonged consideration and discussion, eleven months ago, this House adopted a certain course, and I do not think that in the meantime anything has transpired to cause it to change its opinion. However, I have received a little light on the subject this afternoon from my hon. friend the leader of the Opposition —a suggestion which was not before us when the clause was considered last year— and that is that something might be done in the way of asking judges, or procuring judges, to go round the various country districts a little more than they have done in the past. This, however, must be kept clearly in mind: There have been eleven full months now during which these women could have obtained these certificates. Very few of them, I understand, have made application. They take little or no interest in the matter. They have not shown enough interest in the question to go and apply for certificates, except in very few instances—not in the West, but in the thickly populated districts in the East. Now, I can well understand that in certain of the more remote constituencies there will be some degree of inconvenience to some people. We knew that last year, we discussed it last year, and the view of the House at that time was, that notwithstanding some slight inconvenience with which a limited number of people would have to put up, the principle was nevertheless a sound one; and if it is a good principle to apply it to people coming to this country in the future, as is suggested by my hon. friend the leader of the Agrarian group (Mr. Crerar), it would be just as sound a principle to apply it to those already here.

Some hon. MEMBERS: Not at all.

Mr. GUTHRIE: If we are going to include all those who come in the future and require with respect to them that they shall apply to a judge, why draw a distinction between them and those who are here? Those who are here have never voted in Canada, those who are coming in future have never voted, and if one class is to be placed at some disadvantage and inconvenience so should the other class. But the inconvenience has been very much magnified here and in the matter which has been read. In the vast majority of cases there is no inconvenience at all. These people have not regarded the sacred right of the franchise very highly because, even in the county of my hon. friend (Mr. Euler) the county of Waterloo, little advantage has been taken, if any, of the

permission to obtain these certificates. Under that state of affairs I submit there is no grievance and there are no hardships; but I do not think it would be improper to suggest that some measure might be framed, particularly with respect to the more remote constituencies, whereby, within the next twelve or fifteen months, say, judges should make periodical visits to the more remote sections in order to give every facility for obtaining these certificates. However, I do not think that is a ground for amending the Dominion Elections Law. I think that matter is well worth consideration, but not in connection with this Bill—that would be in connection with the Judges Act or some other Act; and I shall have to ask the committee to vote down the amendment of my hon. friend from North Waterloo.

Mr. MACKENZIE KING: I cannot agree with my hon. friend that there is anything irregular in the amendment that is proposed. The measure before us is a Bill to amend the Dominion Elections Act. It is perfectly true that the minister has put in a number of clauses of his own, but there is nothing to preclude any hon. member—

Mr. GUTHRIE: No, I have not put in any clause of my own, not one.

Mr. KING: The hon. gentleman says he has not put in any clause of his own. He must accept responsibility for the clauses that are in the Bill, and I am speaking now entirely of his responsibility for the measure. The minister, as I have said, has a number of clauses in the Bill which he has presented to the House. It is the right and privilege of any member of the House to add to these clauses—to suggest additions, or amendments. That is all we are doing—we are suggesting amendments to the law, amendments based on an experience that the House did not have when the measure was before it the last time. Now my hon. friend says that the hardships in regard to this particular phase of the Act have been very much exaggerated. I ask my hon. friend, will he challenge a single statement in what I have read? Will he say that a single word of Miss McCallum's article is incorrect? Unless he is prepared to say that this article is not expressing the truth with regard to the distances these women have to travel, the number of times these courts are held, and the number of judges holding these courts, I will have to accept the article as correct. My hon. friend said that women had not shown very much interest in this matter and that very few had registered. Well, he knows, as any other member knows, that the laws as passed by Parliament are not known to the electorate within a month or two, or even a year or two, and that in many cases laws such as these affecting particularly the rights of persons of foreign origin are not likely ever to be heard of by them. That is not through any fault of theirs, it is their misfortune. They cannot keep themselves informed of all legislation. We know as a positive fact that probably not more than one woman out of five hundred or even out of a thousand who would be affected by this law would ever know of it from the press or from the records of Parliament, but would have to gain such knowledge through something which persons connected with the candidate or the party organization might tell her. In large constituencies, whether in rural areas or crowded cities, it is an impossible thing to expect that individuals will go about informing different persons who are entitled to naturalization by operation of law that they must appear before a judge and obtain a certificate. When we have that condition of affairs, it seems to me, it is the duty of Parliament to provide a means for what is an obvious necessity. My hon. friend says that he does not think this is a reason for amending the law. I must thank him for intimating that he sees something in the suggestion that some method should be arranged whereby judges can be brought a little nearer those who would have to apply for voting certificates. But I submit that it is proper that any changes of this kind should not be a matter of discretion or chance.

Mr. GUTHRIE: The provinces could regulate that. They fix the places for the holding of the courts, and they could spread them out for this purpose.

Mr. MACKENZIE KING: This will not be a court. This being Dominion election machinery, it would have to be expressed in some enactment by the Federal Government before the province would act on it.

Mr. GUTHRIE: No, we have given jurisdiction to all those judges. We do not fix the places where they hold their courts; that is done by the provinces; and if there is such a grievance in these remote districts as to make it necessary to designate more places where the judges shall hold

court, the provincial authorities could act in the matter.

Mr. MACKENZIE KING: Do I understand my hon. friend to say that the Government of each province may direct the judges for the purpose of this Act to appear at different—

Mr. GUTHRIE: No, for the purposes of holding court. Each judge, no matter where he is in his own district, can grant these certificates. Now, if the provincial authorities say that a judge shall hold court at this, that and the other point, within the next six, eight, or twelve months, that will give the people of those remote districts an opportunity to get certificates,—if there is a real grievance.

Mr. MACKENZIE KING: My hon. friend knows that the provinces would not likely authorize or direct a judge to hold court simply for the sake of holding court. I want to find out if my hon. friend means that a province might direct judges to visit different centres for the purpose of permitting persons to appear before them to get voting certificates, and whether it would be within its jurisdiction in instructing the judges to act accordingly?

Mr. GUTHRIE: No. They could direct the judges to hold court at A, B, C and D for all judicial purposes; that would be sufficient.

Mr. MACKENZIE KING: My hon. friend knows, better perhaps than any one else in the House, that that is not going to be done by any province where they have only two or three customary centres.

Mr. GUTHRIE: We are paying for it; it does not cost the province anything. If there is a real grievance—something that has not been magnified in this House; and I maintain it has been—in these remote parts, all the local government has to do is to designate certain convenient point for the judges to hold their courts, and the judges are bound to go. We pay them their salaries and travelling expenses. There the people can appear and get the certificates that they are entitled to. That gets over the inconevnience; and it is the only thing wrong with the Act, if it is a grievance.

Mr. MACKENZIE KING: To make this perfectly clear, would the attorney general of Alberta, for instance, be justified, with the support of his government, in directing that the judges in that province should hold court this next year, say, in forty different centres in each constituency?

Mr. GUTHRIE: Yes, each province has power.

Mr. MACKENZIE KING: He would be acting within his rights if he gave instructions for the judges to hold court for the electors to appear before them for this purpose?

Mr. GUTHRIE: For all purposes connected with their judicial functions.

Mr. MACKENZIE KING: Would the attorney general have power to do that without enactment of the legislature?

Mr. GUTHRIE: I do not say he would without legislation. When I say "the provincial government" I mean the provincial power, which is the legislature.

Mr. MACKENZIE KING: Then I think my hon. friend, to be fair with the House, ought to make perfectly clear what is in the back of his mind. Before that step could be taken, which on the face of it is plausible enough, it would be necessary for each province to enact legislation establishing additional courts for all purposes. That is a step the provinces might very well hesitate to take. But I do think this Government ought, in connection with the administration of this Act, to put in a clause which would meet what I am sure my hon. friend sees now is an injustice that will not bear examination.

Mr CRERAR: Did I understand the minister to say that in any case the Federal Government would pay for the costs involved in holding these additional courts?

Mr. GUTHRIE: The Federal Government pays the travelling expenses and salaries of the judges.

Mr. CRERAR: Yes, but would they pay the hall rent and the other expenses?

Mr. GUTHRIE: No.

Mr. CRERAR: Of course not. My hon. friend knows that.

Mr. GUTHRIE: I did not mean that.

Mr. CRERAR: My hon. friend knows very well they do not do that. And this would mean, so far as the provinces are concerned, that if they were to establish the necessary number of courts to properly handle this work it would mean a great additional expense, and my hon. friend knows perfectly well they will not undertake it.

Mr. GUTHRIE: Perhaps my suggestion was too expensive.

Mr. CRERAR: I would like to ask my hon. friend another question. I am not a lawyer and I—

Mr. MACLEAN (York): Thank God therefor.

Mr. CRERAR: —am asking for enlightenment. I will illustrate my question in this way. An Icelander came to Canada say, forty years ago, with a son five years of age. In due course that son attained the age of twenty-one years. His father had qualified for the vote, and the son was thereby also qualified and exercised the vote for the past twenty years. Am I correct in interpreting the Act as it stands at present to this effect, that the son is now disfranchised unless he goes before a judge and gets a certificate?

Mr. GUTHRIE: Where was he born?

Mr. CRERAR: In Iceland.

Mr. McMASTER: Yes, he has to get a certificate.

Mr. GUTHRIE: I think the son would have to get a certificate.

Mr. CRERAR: Then, really this Act is not an enfranchising Act, it is a disfranchising Act.

Mr. GUTHRIE: No, he has to get a certificate.

Mr. CRERAR: But although he has exercised the vote for twenty years he is disfranchised.

Mr. GUTHRIE: There may be odd cases of that sort.

Mr. CRERAR: They are not odd cases, there are thousands of them.

Mr. MACLEAN (South York): He was lucky.

Mr. GUTHRIE: Yes.

Mr. CRERAR: I am forced to the conclusion that the Government in adhering so rigidly to this unfair clause are simply seeking to get some political advantage in disfranchising tens of thousands of people who are likely to vote against them, and who by all the rules of fairness are entitled to vote. This can be the only reason, and it will not commend itself to the fair judgment of the country.

Mr. HAY: Before this matter comes to a vote I would like to say that I agree largely with what the member for Marquette has said. We should consider this amendment seriously before we vote it down, because I am satisfied that it will work some hardship on people in Western Canada—the Icelandic people, and perhaps some people from other countries. In the case cited by the member for Marquette, as I understand it, a young Icelander who had been voting for a number of years would be disfranchised if he did not get a certificate of naturalization. Now, I think that would be unfair; the very fact that citizenship had been extended to the son through the naturalization of the father should entitle the son to the franchise. I am not going to argue that foreigners should be enfranchised simply because they have married British subjects, but I do say that men and women who have lived in Canada for a great number of years and who have already had the privilege of the franchise should not be disfranchised by this Act. I urge upon the Acting Solicitor General and the Government the necessity of carefully inquiring into this question before finally disposing of it. If that is not done, I would ask that the Government make provision for judges to sit at convenient points all over Canada in connection with this matter. This is particularly necessary if the lists to be revised are two years old, as would be the case in some provinces. I am satisfied that if this Bill becomes law in its present form it will work hardship upon hundreds of thousands of people in Western Canada.

Mr. LEMIEUX: I do not quite agree with the principles enunciated, first by my hon. friend the Solicitor General and then by my hon. friend from Algoma (Mr. Nicholson). The elementary right of a British citizen is his right to the franchise. The law of Canada as regards naturalization has been revised on several occasions, and it now is as perfect as it can be. Naturalized British subjects should not be prevented in any way from exercising the franchise, but by this legislation you are putting obstacles in the way of the exercise of the franchise by certain people. The leader of the Opposition has cited instances in which it would be impossible for a woman living in a remote part of Canada to reach a judge in order to get a certificate. It would be more British; it would be much fairer to give de pleno the franchise to the person who has been naturalized. My hon. friend from East Algoma is a stout

Britisher; he will not forget that the question of the franchise has always played a great part in the history of the Empire of which we are all so proud. He will remember that war was declared on South Africa some twenty years ago because the Uitlanders—British subjects—in the Transvaal were denied the right of the franchise by President Kruger, and that on that occasion, a resolution was adopted by this House joining hands with the Mother Country. There is an object lesson for my hon. friends; and if they are true to their ideals, as I have no doubt they are, they should give the people a fair chance to exercise their right to vote. The hon. member for Algoma has a queer notion as regards female suffrage. He seems to think that by granting woman suffrage we have created a special class of voters. Mr. Chairman, at any election to take place hereafter, there will be no distinction between the female and the male electors; they both belong to one class of citizens—Canadians, exercising their right to vote.

Mr. NICHOLSON (Algoma): Then if they are both in the same position why should we not place them in the same position with regard to the securing of the right to the franchise?

Mr. LEMIEUX: That point has already been elucidated. I do not think my hon. friend is putting the question as it should be put before the committee. I am taking exception to the obstacles put in the way of the woman who is a British subject because of her marriage to a British subject. Parliament has granted to that woman the right to the franchise; yet under this proposed legislation, unless she goes a long distance and obtains a certificate you prevent her from reaching the polls. Let us be British; let us be fair; let us be tolerant in the administration of the Elections Act. Remember that it is the elementary right of every British citizen to exercise the franchise. In a country like Canada no such barriers should be put up against the exercise of the franchise.

Mr. MACLEAN (South York): I think the committee would not make a mistake if they referred this question back to the Committee on Privileges and Elections for reconsideration.

Mr. GUTHRIE: It would hold up the Bill.

Mr. MACLEAN (South York): Well, I still say that it would be worth while to send it back.

Mr. EULER: When I submitted the motion which I made I had hoped to appeal to the ordinary sense and fairness of members of the committee. I am still under the impression that the committee is not really seized of the full significance of that which we are debating this afternoon. The hon. member for Algoma East (Mr. Nicholson) gave an extreme case. I am quite in agreement with him that it would not be right and proper, as a general thing, to give the franchise to a woman of any foreign country, who had become a British subject by virtue of her marriage with a Canadian citizen a few months ago. She comes with him to this country; the hon. member states that under this amendment she would be entitled to vote. That that should be objected to sounds quite reasonable to me. A case like that, however, would not occur in more than one instance out of a thousand, and for my part I would be quite prepared to support some suggestion that would eliminate that sort of thing. If the Acting Solicitor General could bring in an amendment to the Act, whereby women of that class would have to go through the usual period of residence in this country, five years if you like, before they would be entitled to vote, I think he would be on fair ground. The hon. member for Algoma East also stated that he thought these women should be placed on exactly the same basis as the men and go through all the requirements. Very well, then, I will put this question to him: If men have to become actually naturalized, to become possessed of naturalization certificates, why has a married woman not the power to obtain the same thing? To-day, under the new Naturalization Act which was passed last session, a married woman has not the power to obtain personal naturalization. That discriminates unfairly against married women. I say that merely by the way, and I think the Naturalization Act should be corrected in that regard.

We have in Waterloo county, as in the West, women of foreign birth who have lived in this country for thirty or forty years, who are Canadians, who have sons who have voted repeatedly in this country, who have daughters who will be permitted to vote. While I do not wish to make any appeal whatever to sentiment—it is, perhaps, made too frequently in this way—it is a fact that, under the law as it exists

now, if this amendment is not accepted, there will be women, who have lived in this country for thirty or forty years and who had sons in the war, who will be put to the necessity of appearing before a judge before they can vote. I want to put this question to every member of the committee, whether a woman of that kind—and I am not exaggerating when I say that there are literally hundreds and thousands of them in this country—is not entitled to at least the same privileges as a woman receives who came here five or six years ago from the United States or from some other North American country. There can be only one reply.

The minister stated a few moments ago that no injustice is done to these men who are obliged to get a certificate, because they have not voted before. I desire to correct him in that regard. The hon. member for Marquette (Mr. Crerar) has already referred to the matter. There are men who came here, as boys with their fathers, from Austria or Germany, whose fathers were naturalized, and under the law as it now stands those men who were permitted to vote even during the war, will no longer be permitted to vote unless the law is changed.

Mr. GUTHRIE: I move that the committee rise, report progress and ask leave to sit again.

Motion agreed to: Progress reported.

At Six o'clock, the House took recess.

After Recess

The House resumed at Eight o'clock.

THE BUDGET

ANNUAL FINANCIAL STATEMENT PRESENTED BY SIR HENRY DRAYTON, MINISTER OF FINANCE.

Hon. Sir HENRY DRAYTON (Minister of Finance) moved:

That the Speaker do now leave the Chair for the House to go into Committee of Ways and Means.

He said: Mr. Speaker, following the usual practice I now take advantage of this motion for the purpose of introducing the annual Budget.

The past year has been a difficult and trying one for business practically the world over, and Canada has suffered in common with other nations from the commercial and economic conditions obtaining. The year has been a year of deflation, and deflation is always difficult. During the first portion of the year the price of commodities, instead of declining after the cessation of hostilities, as was generally expected, sharply rose. Extravagant and luxurious buying was common, and the cost of living in Canada unreasonable.

As a corrective measure, as well as for the purposes of revenue, the taxes of last year, commonly known as Luxury Taxes, were imposed. The object of these taxes was stated in the Budget speech as follows:—

Not only is more revenue necessary but extravagant and luxurious expenditure ought to be checked. Just so long as expenditure on non-essentials and extravagant expenditure continues, just so much longer will the drop in the value of essentials be postponed. On those having income more than necessary for properly maintaining themselves and families, there rests a special duty of saving whenever possible and in this manner adding to the available financial resources for development and for industrial undertakings.

Extravagant buying was slowly but surely checked, and in November declines in commodity prices, both manufacturers' and wholesale, were well marked. The buying public which had previously been so well accustomed to rising markets and then bought freely in the fear that prices would be higher, were convinced that the prices of commodities were on the downward trend, and instead of buying in advance of their needs, stopped purchasing as much as possible in the expectation that prices would continue to fall.

But not only were the taxes designed to check wild spending on the part of the public, they were also calculated to check unnecessary purchases by the trader, so that his inventories might be all the smaller when the inevitable drop in commodities came, and so that the lower level might be reached in more easy stages and with little goods on hand.

Having served these main purposes, the so-called Luxury Taxes were, with but trifling exceptions, abolished on the 18th day of December, 1920.

The year has been a trying one in many activities, but it is felt that the lower price levels have been reached, and that working on the sure foundation of lower costs, the conditions of our trade and commerce ought to steadily improve.

Trade

The year just closed gives a great total for Canadian trade. The previous year, notwithstanding that it was a year of rising prices and general activity in business, showed a total of imports and domestic exports of $2,304,008,267, as

against $2,429,288,757 for the year ended March 31, last.

This is a remarkable showing, more particularly in view of the fact that prices had materially declined during the last half of the year and that our heavy export of grain was made on the lower price level. These figures show an increase for the year of $125,280,490. If foreign merchandise brought into Canada and exported be added, the respective totals become for the year ended March 31, 1920, $2,351,174,878, and for the year just closed $2,450,553,175.

For the purpose of comparison, it may be noted that the years at the end of the past two five-year periods, that is for 1916 and 1911, show a total trade of $1,287,117,229 and $741,745,318 respectively. The figures of the past year show great trade activity. Taking nine millions as the approximate population of Canada, and the calendar year as a uniform basis of comparison, it will be found that the aggregate foreign trade per capita in 1920 was $293.30 for Canada, and $127.78 for the United States.

The mere bulk of trade activities does not of necessity, however, show national prosperity. While, on the one hand, the nation may increase in wealth with a comparatively small total business, on the other hand, it is possible to become the poorer in increasing ratio to the amount of gross business done. The vital question is as to whether or not the business as a whole is profitable.

Canada has continued to be a large buyer. Our imports in the year have increased by the sum of $175,608,887, while, on the other hand, our domestic exports have dropped from those of last year by $50,328,397. If the export of foreign produce be included, the total decrease becomes $76,230,590. If mere size of trade was the whole criterion of national prosperity, Canada would indeed be prosperous, and the problems of industrial unemployment and dissatisfaction with farm results entirely non-existent. While it is perfectly true that Canada, relatively, is very much better off at the present moment than many other nations are, the fact nevertheless remains that conditions are not as we would have them.

It has also to be borne in mind that while our total exports are only $76,230,590 short of those of last year, they are $375,741,673 below the gross export peak reached in 1918.

The unfortunate part of our international balances is that with the United States. The unrevised figures for the year show that our exports to that market amounted to $542,304,456 of domestic, and $18,379,342 of foreign produce, while our imports amounted to $856,593,470, resulting in an unfavourable trade balance between the two countries of $295,909,672. This large unfavourable balance, coupled with the largely increased invisible payments which have to be made to American holders of Canadian securities and investments, of necessity creates a heavy demand for New York exchange, resulting in a premium on New York funds. The real balance against Canada is also increased by the aggregate of the discount on Canadian money in New York, as the trade figures do not include the resultant increased cost to the Canadian purchaser.

If Canada is to continue to buy as much as she now does from the United States, she ought to sell a great deal more in that market. It is undoubtedly to her immediate interest that she should do so. The position of our trade with the United States, unfavourable as it is, is likely however to be made still more unfavourable. The Emergency Tariff, commonly known as the Young Bill, which has already been favourably considered by both Houses of the American Congress, calls for the imposition of taxes which would practically prohibit the importation of—in the chief part—Canadian agricultural commodities which amounted in volume during the past year to some $168,350,000. The measure is for but a six months' period, and the permanent Tariff Bill has not yet been brought down.

The legislation is treated as emergency legislation, and is pressed on the ground that the United States have a large surplus of these products, which their farmers are unable to sell, and that the American farmer is subject to unfair competition in the United States market as owing to the discount on Canadian currency the Canadian farmer receives just so many more Canadian dollars, just as useful to him in his own country as the American dollar is to the American farmer.

The underlying difficulty of the whole matter would appear to result from the condition of foreign exchanges and the difficulty of financing overseas sales. Under former conditions, exports of Canadian products, to a large extent, merely added to the exportable surplus of the United States a very profitable business for that country, while to-day, according to statements made in support of the emergency legislation, the stocks of American produce are large, and additions thereto by Cana-

dian imports merely add to the difficulties of the American producer, who cannot today profitably dispose of his own surplus. In other words, what in the past was profitable business for the United States is now regarded as unprofitable.

Our business with the United Kingdom continues to be satisfactory, although it is unaccompanied with favourable balances as great as in the past. Last year our exports to the Mother Country amounted to $495,960,118 while our imports amounted to $126,359,249, resulting in a favourable trade balance of $369,600,869. This year our exports have fallen to $314,226,348, while our imports from the Mother Country have grown to $213,930,946, reducing our favourable trade balance to $100,295,402. In view of the large holdings of Canadian securities in the United Kingdom, while exact figures are not available, the net balance would be much reduced if not indeed turned against us. The showing, however, is very much more satisfactory than that of our trade with the United States and the buyers of English goods have the additional satisfaction of knowing that their dollars were at a premium in the English market.

I have much pleasure in calling the attention of hon. members to the remarkable recovery and extension of British trade in Canada. Imports from the United Kingdom first reached the hundred million mark in 1911. In 1913 they were $138,741,736. As a result of the war, in 1919 the figures had dropped to $73,035,118. In 1920 the total was $126,359,249. The increase of this year over last—although last year's figures were greater than those of any previous year except 1913—is $87,571,697, or over 69 per cent. The sales by the Mother Country in Canada have by the prevailing rates of exchange been made the more easy in the same ratio as our sales to her have been rendered the more difficult. Our sales have also, by reason of the exercise of British Government control, been further restricted.

Revenue, 1920-21

The country's revenues have been well maintained. The revenue for the fiscal year when the accounts are finally closed will approximately reach $432,000,000, as against $349,746,334 for the year before. This marked increase, in a year of deflation, can only be regarded as satisfactory. The chief sources of revenue are as follows:

Customs	$163,000,000
Excise	37,200,000
Post Office	26,000,000
Business Profits War Tax	40,000,000
Income Tax	46,500,000
Inland Revenue War Tax	79,050,000
Other War taxation	2,355,000

Expenditure 1920-21

The estimated expenditure for the year amounts to $533,368,077 as against a total outlay provided by the Estimates of $613,225,411.

The total expenditure has been met without new loans, being covered entirely by current revenue and cash resources available at the close of last year. The amount of cash resources from the past year and applicable to 1921-22 will be relatively small. The figure cannot be definitely stated, as sundry expenditures and revenue for 1920-21 have yet to go through the books. I might say, at this juncture, that we expect to find that the available cash at the end of the year when the accounts are closed will amount to approximately $10,000,000.

In considering the consolidated fund expenditures, having regard to the country's pre-war activities, it will be found that these amount to some $141,000,000. Consolidated fund charges connected with and growing out of the war, such as increased interest, pensions, military records, Air Board, expenses of Land Settlement Board, Soldiers' Civil Re-establishment, etc., and such new services and expenses as cost of collection of war taxation, bonus to the Civil Service, aids granted for technical education and road building, etc., approximate $225,000,000. Other war expenses, including Soldiers' Land Settlement loans and demobilization, increase the total payments resulting from the war and new services to $277,000,000. Services similar to those provided for by the consolidated fund expenditure of $141,000,000 this year as referred to above cost in the year 1913-14 $127,384,472.

Of the expenditures, the total chargeable to consolidated fund is $362,600,000. Special expenditure, including capital of $36,972,000 and demobilization of $20,000,000 accounts for a further sum of $57,102,000. Then there are investments, classed as non-active for the time being, as follows:

Canadian Northern Railway	$48,611,077
Grand Trunk Railway	26,520,000
Grand Trunk Pacific Railway "Rec. a/c"	18,300,000
Grand Trunk Pacific Guaranteed Int.	3,500,000
Quebec Harbour Commissioners	335,000
	$97,266,077

And, finally, disbursements for railway equipment of $16,400,000.

The revenues for the year exceed the ordinary expenses of the country, including all pensions and all current war charges, by $69,400,000 and exceed the sum total of the ordinary expenses, together with the regular charges to capital and war by $12,298,000.

Debt

As already stated, there have been no fresh borrowings. On the other hand, the debt has increased by the amount that the liquid surplus of the year before has been used, namely, $101,368,077. It should be noted that out of available cash, tax exempt bonds aggregating $89,228,300 have been acquired and taken off the market. It is proposed to cancel them.

The result is that, having regard to the writting-down of assets which took place last year, the net debt now amounts to $2,350,236,700. An interesting observation may be made as to the increase in debt. In the period 1896 to and including 1914 the net additions to the debt totalled $77,499,417. As compared with this, during the period 1914 to date, if the writing-down of non-active assets had not taken place and if the bare war cost be deducted but resulting current expenses arising from the war such as for interest, pensions, etc, be nevertheless charged, the net debt to-day would stand at approximately $115,000,000 less than at March 31, 1914. The situation may be otherwise expressed by saying that notwithstanding the largely increased cost of Government, to the extent of this sum the country's war activities have been financed out of current revenue.

Over and above all this the charges to the consolidated fund of payments made on current war account from and including the year 1914-15 to 1920-21 amount to $553,732,120 and for new services and expenses $30,077,580, making a total of $583,809,700. The amounts by years are as follows:

	Due to War Burden	New Services	Total
1914-15	$ 2,843,238	.....	$ 2,843,238
1915-16	8,828,080	.....	8,828,080
1916-17	25,956,437	$ 58,174	26,014,611
1917-18	44,134,890	108,196	44,243,086
1918-19	88,854,759	3,498,126	92,352,885
1919-20	170,722,951	13,139,084	183,862,035
1920-21	212,391,765	13,274,000	225,665,765
Total.	$553,732,120	$30,077,580	$583,809,700

The net result is that war obligations current and capital have been met and paid to the extent of $698,809,700.

Probable Revenue and Expenditure 1921-22

All indications point to a falling customs revenue and with the disarrangement of business consequent on imminent tariff legislation of the United States, it is difficult to accurately forecast the revenue for the coming year. The following Estimate—based on existing legislation—may be given:

Customs	$135,000,000
Excise	33,600,000
Post Office	26,000,000
Interest on Investments	19,000,000
Casual Revenue	4,000,000
War Tax Revenue—	
Inland Revenue	72,000,000
Business Profits and Income Tax.	70,000,000
Miscellaneous War Tax Revenues	2,000,000
All other Revenues	11,000,000
	$372,600,000

The main Estimates tabled call for a total expenditure of $582,062,698 and the supplementary for bonus to the service an additional $9,375,000. The policy of the Government is to pay at least all current expenses, including capital charges, out of current income. The following summary gives the details of these votes properly appropriated to their various objects:

Estimated Consolidated Fund Expenditure	$343,021,594
Estimated Capital Expenditure	27,459,127
Estimated Demobilization Expenditure	7,777,380
	$378,258,101
Investments—Non-Active—	
Canadian Northern Railway	$ 50,000,000
Grand Trunk Railway	89,687,633
Grand Trunk Pacific Railway	26,000,000
	$165,687,633
Investments—Active—	
Soldiers Settlement Board	$ 32,000,000
Housing Loans	13,310,000
Sinking Funds	2,181,963
	$47,491,963

From the above it will be seen that $378,258,101 in the first instance ought to be raised out of current revenue. It is true that this amount includes capital expenditure for canals, public works, etc.—capital expenditure, which does add to the equipment and facilities of the country. Under the policy adopted this, however, ought to be met out of current revenue. It should be noted that this capital vote also includes $1,903,133 required for railroad equipment. It also includes $7,000,000 for deficits of the Canadian Government Railways proper which must be regarded as a current expense.

Provision is made for non-active investments to the extent of $165,687,633 on account of railways, investments which at least for the time being will yield no return. To the full extent that provision is required for the payment of current liabilities, deficits and interest, that payment ought to be met out of current revenues. The vote, however, in part, covers maturing capital obligations. Railway capital obligations ought not to be paid out of current revenue at the present time but should be refunded.

Of the vote, the current liabilities of the Canadian Northern call for payment of $25,102,870 made up of stock additions, operating deficits and interest charges.

The Grand Trunk vote is required largely for old accounts and maturing capital obligations, as well as obligations owing the country. The old accounts will be taken into consideration in the arbitration proceedings as deduction from the compensation that may be payable. The company, however, ran last year at an actual deficit of some $6,500,000, apart from all Grand Trunk Pacific obligations. Part of this deficit is accounted for by back pay amounting to some $3,000,000. It would not be safe to regard the account, however, as one not requiring a substantial sum, possibly $6,000,000, for current deficits for the year.

Included in the Grand Trunk Pacific vote, apart entirely from expenditures which add to the value of the property, is $19,817,873. The position of this undertaking is such however that the whole vote of $26,000,000 ought to be raised out of current revenue, making a total current railway expenditure to be this year provided in cash of $57,102,870.

The resultant total to be raised is $435,360,971.

In addition, the other investments of $47,491,963 are active and revenue-producing and constitute a proper deduction from a gross debt.

It is obvious, however, that additional revenues ought to be provided.

Tariff

It is not proposed to put into effect now a general revision of the tariff schedules. While Canada must make her own tariff and while that tariff must be a tariff dictated in the interests of Canada and her people, it is not advisable that frequent changes should be made.

The tariff deals with international business and the proper interests of the country can only be considered in the light of international business and the tariff laws of other countries. It is idle to attempt to disguise the fact that any proper Canadian tariff must have consideration to the settled tariff conditions obtaining in the United States. Of our total trade of the past year 57 per cent was with the United States. Of total imports of $1,240,125,056, those from our neighbour to the south were $856,593,470 or 69 per cent of the whole.

As already pointed out, temporary tariff legislation of the United States would place a barrier against our exports to that country amounting to no less than $168,000,000. Such or similar action made permanent, of necessity, would require a careful and thorough revision of the Canadian tariff for the purpose of ensuring the proper continuance of Canadian business —of ensuring employment and Canadian stability—a matter of gravest moment to all classes of our citizens, of moment to the farmer as well as to the industrial worker, of moment to the farmer because the home market, always of importance and value to him, would become in view of the action of the United States and of the difficulties of financing overseas sales, more important than ever.

An illustration of the value of the home market under past conditions may be given in connection with the dairy business. The production of butter in Canada for the year 1919 was 226,000,000 pounds and of this amount but 17,000,000 pounds were exported. On the question of profitable prices in the home market, it may be noted that last autumn when the Ottawa wholesaler paid 57 cents for butter and the Ottawa public were paying 59 cents and 60 cents a pound, the export price was 47 cents a pound. The home market is valueless without purchasing power and that purchasing power will diminish or largely disappear with the advance of industrial unemployment. Under the circumstances, having special regard to the fact that there ought not to be a general revision of the Canadian tariff now and another after the close of the United States Congress, no action will now be taken.

In indicating that regard must be had to United States tariff laws when framing the Canadian tariff, I do not desire to be understood as suggesting that the Canadian tariff should, in any way, of necessity follow the American customs rates. The underlying economic principles which apply to tariff necessities of creditor nations, as compared with debtor nations, are entirely different. Creditor nations

are not under the necessity of discharging money claims with an excess of visible exports over visible imports or by fresh borrowings. While it is not in the interest of debtor nations to increase money claims against them by an unfavorable balance of visible trade, in the case of the creditor nation it well may be that the only manner in which the creditor nation may receive payment on its investments is by creating money claims in favour of the debtor nation through an excess of visible imports over visible exports.

As a matter of fact, besides goods and commodities creditor nations export coupons, representing interest on borrowed money, while debtor nations import them, that is, pay them. It is impossible to accurately state the amount of coupons annually imported by Canada. In all probability $180,000,000 would not be an outside figure. Under such circumstances, Canada has to be considered as having an adverse balance of $180,000,000 before any consideration is given to the results of her visible import and export trade. On the other hand, as a great creditor nation, the United States, apart altogether from her visible imports and exports, has the advantage of a very large invisible export credit, none the less real because unseen, under the heading of returns from investments. Canada like all other countries in process of development required and indeed still requires foreign capital and is of necessity a debtor nation.

Tariff Changes

Changes in the schedules, however, become necessary for the purpose of implementing the trade pact with the West India Islands which has been ratified by both Houses and assented to. A resolution will be submitted dealing with these.

Amendments to Customs Act

Changes ought to be made in the Customs Act with a view to securing a more efficient carrying out of the principle of the dumping provisions. Much of the unemployment at present existing, results from the importation into Canada of goods at prices below the cost of production. In so far as the public are concerned, little, if any, price advantage has accrued to them through these importations. Indeed, it could not well be expected that they should because these low costs cannot be looked upon as at all permanent and as a matter of fact they have been found to be temporary. It has been established that, after large shipments of goods have been made from a foreign market and entered at customs at a valuation justified by temporary quotations in that market, prices there have registered substantial increases. The result, however, is directly felt by the Canadian producer and worker. Goods ought to be valued for customs purposes, not at forced-sale prices, justified by temporary quotations to the foreign market, but having regard to the regular standard value in that market and to cost of production and a reasonable profit thereon.

A further change should also be made having regard to the valuation of goods imported from foreign countries whose currencies have greatly depreciated. Under the law, valuations are made in the currency of the country of export and this value has under customs ruling been adjusted to the basis of exchange prices. The increased cost of production in the foreign market does not, however, bear a direct inverse relation to the extent of the depreciation of the currency, more particularly so having regard to countries where currencies are depreciated to a greater extent than 50 per cent. It is therefore proposed to provide that any depreciation of a foreign currency greater than 50 per cent shall be disregarded and that the lowest valuation which can be made will be arrived at by a depreciation of 50 per cent. Where the rate of exchange is adverse to Canada, the value for duty will be computed at the rate of exchange existing at the date of the shipment of the goods. To put into effect these provisions, a Bill will be introduced providing for amendments to the Customs Act as follows:

Section forty of the said Customs Act is amended by adding thereto the following clause,—"such value in no case to be lower than the wholesale price thereof at such time and place," and by adding thereto the following subsection:

(2) Provided that the value for duty of new or unused goods shall in no case be less than the actual cost of production of similar goods at date of shipment direct to Canada, plus a reasonable profit thereon, and the Minister of Customs and Inland Revenue shall be the sole judge of what shall constitute a reasonable profit in the circumstances."

Section fifty-nine of the said Customs Act is amended by adding thereto the following subsection:

(6) Notwithstanding any of the provisions of this section, in computing the value for duty of the currency of an invoice, no reduction shall be allowed in excess of fifty per cent of the value of the standard or proclaimed currency of the country from whence the goods are invoiced to Canada, irrespective of the rate of exchange existing between such coun-

try and Canada on date of the shipment of the goods, and in respect of goods shipped to Canada from a country where the rate of exchange is adverse to Canada, the value for duty of the currency of the invoice shall be computed at the rate of exchange existing between such country and Canada at the date of the shipment of the goods.

Marking of Importations

Representations have from time to time been made to the effect that the goods of one country were being farmed off on the Canadian public as the goods of another country. Especially have representatives of British business urged that many goods were being sold as British goods, which either had not seen Great Britain or were merely collected in and forwarded from that country. In my judgment, immediate effect ought to be given to these representations. Not only has the British importation some right to protection from dishonest competition, but much more so the Canadian public have a right to know from whom they are buying. A resolution will, therefore, be moved to provide that all goods imported into Canada capable of being marked, stamped, branded or labelled without injury shall have indicated on them legibly in English or French the country of origin. This provision will come into force September 1, 1921.

Business Profits War Tax

The Business Profits Tax will be dropped. With present business conditions it would in any event become largely inoperative —excess profits generally speaking will not be found. This tax is one which is only justifiable as an emergency measure in a time of ascending values and inflation and national stress. It is a tax which works harm to the general financial situation and business conditions in an ordinary period and more particularly in a period of business depression. The Act will not be re-enacted.

Excise Taxes

Many complaints have been received from will be abolished. In lieu thereof, having particular regard to the necessities of revenue, duties will be levied on playing cards and wines. The duties on spirits will be increased from the present $3 per gallon customs duty and the $2 additional duty under the luxury taxes, to a straight $10 customs rate. Increase will also be made in the excise duties on spirits of local manufacture released for sale in Canada. The former differential of the excise duty as against the customs duty was 60 cents, a differential of 20 per cent. The excise rate will be increased to $9 a gallon.

[Sir Henry Drayton.]

Many complaints have been received from hospitals and the producers of proprietary medicines and pharmaceutical preparations who represent that the burden of taxation under the law, which is now being changed and which provides for a total tax of $5 per proof gallon, was unduly heavy. The hospitals in particular represent that they have had great difficulty in properly carrying on. It is proposed to grant a rebate of 99 per cent of the duties paid on spirits actually used for medicinal purposes in bona fide hospitals certified to as such by the Department of Public Health and subject to regulations to be promulgated by the Department of Customs and Inland Revenue for the purpose of ensuring that no abuses take place. Under appropriate regulations it is proposed in the case of patent and proprietary medicines and pharmaceutical preparations to reduce the tax to the rate of $2.40 per proof gallon. This is the rate which applied prior to the enactment of last year's luxury taxes.

Sales Tax

In addition to the foregoing new provisions, it is proposed to increase the rate of the sales tax. Many submissions have been received in favour of a sales or turnover tax. The principle of either a sales or turnover tax has been strongly advocated by many boards of trade and commercial bodies. The general turnover tax in particular has been strongly supported. This tax would call for the payment of a tax on every transaction taking place in the country. It would include all sales by retailers. Theoretically a general turnover tax on commodities and services has much to commend it. In practical administration, though, in view of the fact that after careful survey it has been established that books are not kept in many retail stores, the cost of administration would be unduly great and difficulties of collection many.

9 p.m.

Instead of extending the tax, it is proposed to confine its operation to the sales of manufacturers, wholesalers, jobbers and importers, and to continue a list of special exemptions which, broadly speaking, will cover foodstuffs in their natural state, initial sales of farm produce by the farmer of his own production, as well as the first products of the fisheries, mines and forests.

The 1 per cent and 2 per cent rates on domestic transactions will become 1½ per cent and 3 per cent respectively, and the

present import rates will become 2½ per cent and 4 per cent. The import rates thus become 1 per cent higher than the like domestic rates. The necessity for this lies in the fact that more than one sales tax is included in the finished article made in Canada, while the materials entering into the manufacture or production of the foreign article are not subject to any such tax.

Mr. Speaker, we in Canada have a great task before us. The world is sadly out of tune. May we help in restoring harmony? Trust and confidence are sadly lacking. Class interests are advanced with selfish insistence. Unemployment is with us. Faith in our fellow-men is weakened. Doubt of the future is often voiced. And what is the trouble? The sun still shines—the rivers still sparkle—our lands are as great and fruitful as ever—our resources just as vast. Shall it be said that the work and sacrifice of the past few years were in vain? That we Canadians of to-day do not think that that Canada for whom so great a stream of heroic blood was shed—a Canada great enough to die for—is a country worth living for? Living for Canada! To do that means living for and helping our fellow Canadians, means the realization that no real advantage can be taken by this class at the expense of that—that the wrong of one works to the injury of all—that Canada requires honest, clear thinking and the abandonment of racial, class and political prejudice—that our task is worthy of the efforts of a united Canada and the best, unselfish, constant work of each and all of us. If we can but again renew faith the one in the other and in our country, live for Canada and in the faith of our forefathers, the future holds no shadows for Canada.

RESOLUTIONS

I beg to give notice that upon the House resolving itself into committee I shall move the following resolutions:

1. Resolved, that it is expedient to amend the Customs Tariff, 1907, by inserting the following section immediately after section 8:

8a. Notwithstanding anything in this Act, goods, other than tobacco, cigars, cigarettes, spirituous or alcoholic liquors and articles specified in Schedule A of The West Indies Trade Agreement Act, the produce or manufacture of

British Honduras;
Bermuda;
the Bahamas;
Jamaica;
Turks and Caicos islands;
the Leeward islands (Antigua, St. Christopher-Nevis, Dominica, Montserrat, and the Virgin islands);
the Windward islands (Grenada, St. Vincent and St. Lucia);
Barbados;
Trinidad and Tobago; and
British Guiana

when imported direct therefrom shall not be subject at any time to more than fifty per centum of the duties imposed on similar goods as set forth in the General Tariff under regulations by the Minister of Customs and Inland Revenue.

2. Resolved, that Schedule A to the Customs Tariff, 1907, as amended by chapter 15 of the Acts of 1913, by chapter 26 of the Acts of 1914, and by chapter 5 of the Acts of 1914 (second session) be further amended by striking thereout tariff items 20, 21, 22, 23, 39b, 77a, 101, 101a, 103, 104, 110, 111, 113, 134, 135, 150, 151, 153, 156, 159, 160, 162, 163, 164 and 165, the several enumerations of goods respectively, and the several rates of duties of Customs, if any, set opposite each of said items, and to provide that the following items, enumerations and rates of duties be inserted in said Schedule A:

SCHEDULE A

Tariff Items	——	British Preferential Tariff.	Intermediate Tariff.	General Tariff.
20	Cocoa paste or "liquor" and chocolate paste or "liqour," not sweetened, in blocks or cakes, per pound	4 cents.	5 cents.	5 cents.
21	Cocoa paste or "liquor" and chocolate paste or "liquor," sweetened, in blocks or cakes, not less than two pounds in weight, per pound	4½ cents.	5½ cents.	5½ cents.
22	Preparations of cocoa or chocolate in powder form	27½ p.c.	35 p.c.	35 p.c.
23	Preparations of cocoa or chocolate, n.o.p., and confectionery, coated with or containing chocolate, the weight of the wrappings and cartons to be included in the weight for duty, per pound	1½ cents. and 22½ p.c.	1½ cents. 35 p.c.	1½ cents. 35 p.c.
39b	Arrowroot, per pound	½ cent.	1½ cents.	1½ cents.
77a	Cocoa beans, not roasted, crushed or ground, per one hundred pounds	Free.	$1.50	$1.50
87a	Onions in their natural state	Free.	30 p.c.	30 p.c.
101	Oranges and lemons	Free.	Free.	Free.
101a	Shaddocks or grape fruit, per one hundred pounds	50 cents.	$1.00	$1.00

Tariff Items	——	British Preferential Tariff.	Intermediate Tariff.	General Tariff.
101b	Limes	Free.	15 p.c.	15 p.c.
103	Fruits preserved in brandy, or preserved in other spirits, and containing not more than forty per cent of proof spirit in the liquid contents thereof, per gallon	$2.50	$2.50	$2.50
	and	30 p.c.	30 p.c.	30 p.c.
104	Fruits preserved in brandy, or preserved in other spirits, containing more than forty per cent of proof spirit in the liquid contents thereof, per gallon	$10.00	$10.00	$10.00
	and	30 p.c.	30 p.c.	30 p.c.
110	Cocoanuts, n.o.p., per one hundred	50 cents.	$1.00	$1.00
111	Cocoanuts, when imported from the place of growth, by ship, direct to a Canadian port, per one hundred.	Free.	75 cents.	75 cents.
113	Cocoanut, desiccated, sweetened or not, per pound	5 cents.	6 cents.	6 cents.
134	All sugar above number sixteen Dutch standard in colour, and all refined sugars f whatever kinds, grades or standards, not covered by tariff item No. 135, when not exceeding eighty-eight degrees of polarization, per one hundred pounds	$1.50	$2.00	$2.00
	when exceeding eighty-eight degrees but not exceeding eighty-nine degrees, per one hundred pounds	$1.52	$2.03	$2.03
	when exceeding eighty-nine degrees but not exceeding ninety degrees, per one hundred pounds	$1.54	$2.06	$2.06
	when exceeding ninety degrees but not exceeding ninety-one degrees, per one hundred pounds	$1.56	$2.08	$2.08
	when exceeding ninety-one degrees but not exceeding ninety-two degrees, per one hundred pounds	$1.59	$2.12	$2.12
	when exceeding ninety-two degrees but not exceeding ninety-three degrees, per one hundred pounds	$1.61	$2.15	$2.15
	when exceeding ninety-three degrees but not exceeding ninety-four degrees, per one hundred pounds	$1.63	$2.18	$2.18
	when exceeding ninety-four degrees but not exceeding ninety-five degrees, per one hundred pounds	$1.65	$2.20	$2.20
	when exceeding ninety-five degrees but not exceeding ninety-six degrees, per one hundred pounds	$1.68	$2.24	$2.24
	when exceeding ninety-six degrees but not exceeding ninety-seven degrees, per one hundred pounds	$1.70	$2.27	$2.27
	when exceeding ninety-seven degrees but not exceeding ninety-eight degrees per one hundred pounds,	$1.72	$2.30	$2.30
	when exceeding ninety-eight degrees but not exceeding ninety-nine degrees, per one hundred pounds	$1.79	$2.39	$2.39
	when exceeding ninety-nine degrees, per one hundred pounds	$1.79	$2.39	$2.39
	Provided that refined sugar shall be entitled to entry under the British Preferential tariff upon evidence satisfactory to the Minister of Customs and Inland Revenue, that such refined sugar has been manufactured wholly from raw sugar produced in the British colonies and possessions, and not otherwise.			
135	Sugar above number sixteen Dutch standard in colour when imported by a recognized sugar refiner, for refining purposes only, under regulations by the Minister of Customs and Inland Revenue; and sugar n.o.p., not above number sixteen Dutch standard in colour, sugar drainings or pumpings drained in transit, melado or concentrated melado, tank bottoms, sugar concrete, and molasses testing over fifty-six degrees and not exceeding seventy-six degrees, when not exceeding seventy-six degrees of polarization, per one hundred pounds	70 cents	$1·16080	$1·16080
	when exceeding seventy-six degrees but not exceeding seventy-seven degrees, per one hundred pounds	70·75 cents	$1·18366	$1·18366
	when exceeding seventy-seven degrees but not exceeding seventy-eight degrees, per one hundred pounds	71·5 cents	$1·20652	$1·20652
	when exceeding seventy-eight degrees but not exceeding seventy-nine degrees, per one hundred pounds	72·25 cents	$1·22938	$1·22938
	when exceeding seventy-nine degrees but not exceeding eighty degrees, per one hundred pounds	73 cents	$1·25224	$1·25224
	when exceeding eighty degrees but not exceeding eighty-one degrees, per one hundred pounds	73·75 cents	$1·27510	$1·27510
	when exceeding eighty-one degrees but not exceeding eighty-two degrees, per one hundred pounds	74·5 cents	$1·29796	$1·29796

Tariff Items	——	British Preferential Tariff.	Intermediate Tariff.	General Tariff.
	when exceeding eighty-two degrees but not exceeding eighty-three degrees, per one hundred pounds	75·25 cents	$1·32082	$1·32082
	when exceeding eighty-three degrees but not exceeding eighty-four degrees, per one hundred pounds	76 cents	$1·34560	$1·34560
	when exceeding eighty-four degrees but not exceeding eighty-five degrees, per one hundred pounds	76·75 cents	$1·37038	$1·37038
	when exceeding eighty-five degrees but not exceeding eighty-six degrees, per one hundred pounds.	77·5 cents	$1·39516	$1·39516
	when exceeding eighty-six degrees but not exceeding eighty-seven degrees, per one hundred pounds	78·25 cents	$1·41994	$1·41994
	when exceeding eighty-seven degrees but not exceeding eighty-eight degrees, per one hundred pounds	79 cents	$1·44664	$1·44664
	when exceeding eighty-eight degrees but not exceeding eighty-nine degrees, per one hundred pounds	79·75 cents	$1·47334	$1·47334
	when exceeding eighty-nine degrees but not exceeding ninety degrees, per one hundred pounds	80·5 cents	$1·50388	$1·50388
	when exceeding ninety degrees but not exceeding ninety-one degrees, per one hundred pounds	81·25 cents	$1·53442	$1·53442
	when exceeding ninety-one degrees but not exceeding ninety-two degrees, per one hundred pounds	82 cents	$1·56496	$1·56496
	when exceeding ninety-two degrees but not exceeding ninety-three degrees, per one hundred pounds	82·75 cents	$1·59550	$1·59550
	when exceeding ninety-three degrees but not exceeding ninety-four degrees, per one hundred pounds	83·5 cents	$1·62604	$1·62604
	when exceeding ninety-four degrees but not exceeding ninety-five degrees, per one hundred pounds	84·25 cents	$1·65658	$1·65658
	when exceeding ninety-five degrees but not exceeding ninety-six degrees, per one hundred pounds	85 cents	$1·68712	$1·68712
	when exceeding ninety-six degrees but not exceeding ninety-seven degrees, per one hundred pounds	85·75 cents	$1·71766	$1·71766
	when exceeding ninety-seven degrees but not exceeding ninety-eight degrees, per one hundred pounds	86·50 cents	$1·74820	$1·74820
	over ninety-eight degrees, per one hundred pounds	87·25 cents	$1·83250	$1·83250
	Provided that all raw sugar, including sugar specified in this item, the produce of any British Colony or possession, shall be entitled to entry under the British Preferential tariff, when imported direct into Canada from any British country.			
	Provided that sugar imported under this item shall not be subject to special duty.			
150	Lime juice and fruit juices, fortified with or containing not more than twenty-five per cent of proof spirits, per gallon	$2.50	$2.50	$2.50
151	Lime juice and fruit juices, fortified with or containing more than twenty-five per cent of proof spirits, per gallon	$10.00	$10.00	$10.00
	and	30 p.c.	30 p.c.	30 p.c.
153	Lime juice, raw and concentrated, not refined, per gallon	Free	15 cents	15 cent
156	Ethyl alcohol, or the substance commonly known as alcohol, hydrated oxide of ethyl or spirits of wine, n.o.p.; gin of all kinds, n.o.p.; whisky and all spirituous or alcoholic liquors, n.o.p.; amyl alcohol or fusel-oil, or any substance known as potato spirit or potato oil, methyl alcohol, wood alcohol, wood naphtha, pyroxylic spirit or any substance known as wood spirit or methylated spirits, absinthe, arrack or palm spirit, brandy, including artificial brandy and imitations of brandy, n.o.p.; cordials and liquers of all kinds, n.o.p.; mescal, pulque, rum shrub, schiedam and other schnapps; tafia, angostura and similar alcoholic bitters or beverages; and wines, n.o.p.; containing more than forty per cent of proof spirit, per gallon of the strength of proof	$10.00	$10.00	$10.00
156a	Rum, per gallon of the strength of proof	$8.00	$10.00	$10.00
	Provided, as to all goods specified in items No. 156 and No. 156a when of less strength than the strength of proof, that no reduction or allowance shall be made in the measurement thereof for duty purposes, below the strength of fifteen per cent under proof. Provided also, that when the goods specified in these two items are of greater strength than the strength of proof, the measurement thereof and			

Tariff Items	——	British Preferential Tariff.	Intermediate Tariff.	General Tariff.
	the amount of duty payable thereon shall be increased in proportion for any greater strength than the strength of proof.			
	Provided further, that bottles and flasks and packages of gin, rum, whisky and brandy of all kinds, and imitations thereof, shall be held to contain the following quantities (subject to the provisions for addition or deduction in respect of the degree of strength), viz.:—			
	Bottles, flasks and packages, containing not more than three-fourths of a gallon per dozen, as three-fourths of a gallon per dozen;			
	Bottles, flasks and packages, containing more than three-fourths of a gallon but nore more than one gallon per dozen, as one gallon per dozen;			
	Bottles, flasks and packages, containing more than one gallon but not more than one and one-gallon per dozen, as one and one-half gallon per dozen;			
	Bottles, flasks and packages, containing more than one and one-half gallon but not more than two gallons per dozen, as two gallons per dozen;			
	Bottles, flasks and packages, containing more than two gallons but not more than two and four-fifths gallons per dozen, as two and four-fifths gallons per dozen;			
	Bottles, flasks and packages, containing more than two and four-fifths gallons but not more than three gallons per dozen, as three gallons per dozen;			
	Bottles, flasks and packages, containing more than three gallons but not more than three and one-fifth gallons per dozen, as three and one-fifth gallons per dozen.			
	Provided further, that bottles or phials of liquors for special purposes, such as samples not for sale to the trade, may be entered for duty according to actual measurement, under regulations prescribed by the Minister of Customs and Inland Revenue.			
159	Spirits and strong waters of any kind, mixed with any ingredient or ingredients, as being or known or designated as essences, extracts, or ethereal and spirituous fruit essences, n.o.p., per gallon.....	$10.00	$10.00	$10.00
	and	30 p.c.	30 p.c.	30 p.c.
159a	Spirits and strong waters of any kind mixed with any ingredient or ingredients, as being or known or designated as anodynes, elixirs, tinctures or medicines, n.o.p., per gallon.....	$ 3.00	$3 .00	$ 3.00
	and	30 p.c.	30 p.c.	30 p.c.
160	Alcoholic perfumes and perfumed spirits, bay rum, cologne and lavender waters, lotions, hair, tooth and skin washes, and other toilet preparations containing spirits of any kind:—			
	(*a*) when in bottles or flasks containing not more than four ounces each.....	90 p.c.	90 p.c.	90 p.c.
	(*b*) when in bottles, flasks or other packages, containing more than four ounces each, per gallon....	$5.00	$5.00	$5.00
	and	40 p.c.	40 p.c.	40 p.c.
162	Medicinal or medicated wines, including vermouth and ginger wine, containing not more than forty per cent of proof spirit.....	80 p.c.	80 p.c.	80 p.c.
163	Wines of all kinds, n.o.p., including orange, lemon, strawberry, raspberry, elder and currant wines, containing twenty-six per cent or less of proof spirit, whether imported in wood or in bottles, per gallon..	55 cents	55 cents	55 cents
	and	.....	.....	30 p.c.
	And in addition thereto, for each degree of strength in excess of twenty-six per cent of proof spirit until the strength reaches forty per cent of proof spirit...	3 cents	3 cents	3 cents
	Provided that six quart bottles, or twelve pint bottles shall be held to contain a gallon for duty purposes under this item.			
164	Wines of all kinds, except sparkling wines, containing not more than forty per cent of proof spirit, whether imported in wood or in bottles (six quart bottles or twelve pint bottles to be held to contain a gallon), when the produce or manufacture of any British			

Tariff Items	——	British Preferential Tariff	Intermediate Tariff	General Tariff
	Colony or territory in the South African Customs Union Convention, per gallon	55 cents		
165	Champagne and all other sparkling wines:—			
	(*a*) in bottles containing each not more than a quart but more than a pint (old wine weasure), per dozen bottles	$9.30	$9.30	$9.30
	and			30 p.c.
	(*b*) in bottles containing not more than a pint each, but more than one-half pint (old wine measure), per dozen bottles	$4.65	$4.65	$4.65
	and			30 p.c.
	(*c*) in bottles containing one-half pint each or less, per dozen bottles	$2.32	$2.32	$2.32
	and			30 p.c.
	(*d*) in bottles containing over one quart each (old wine measure), per gallon	$4.50	$4.50	$4.50
	and			30 p.c.

3. Resolved, that any enactment founded on the foregoing resolutions shall be deemed to have come into force on the tenth day of May, 1921, and to have applied to all goods mentioned in the foregoing resolutions, imported or taken out of warehouse for consumption on and after that day, and to have also applied to goods previously imported for which no entry for consumption was made before that day.

4. Resolved, that the Customs Tariff, 1907, be amended by inserting the following section immediately after section 12:

12a. That all goods imported into Canada which are capable of being marked,, stamped, branded or labelled, without injury, shall be marked, stamped, branded, or labelled in legible English or French words, in a conspicuous place that shall not be covered or obscured by any subsequent attachments or arrangements, so as to indicate the country of origin. Said marking, stamping, branding, or labelling shall be as nearly indelible and permanent as the nature of the goods will permit.

Provided, that all goods imported into Canada after the date of the coming into force of this section which do not comply with the foregoing requirements shall be subject to an additional duty of ten per centum ad valorem to be levied on the value for duty purposes and in addition such goods shall not be released from Customs possession until they have been so marked, stamped, branded or labelled under Customs supervision at the expense of the importer.

Provided further, that if any person shall violate any of the provisions relating to the marking, stamping, branding, or labelling of any imported goods, or shall deface, destroy, remove, alter, or obliterate any such marks, stamps, brands, or labels with intent to conceal the information given by or contained in such marks, stamps, brands, or labels, he shall be liable on summary conviction to a penalty not exceeding one thousand dollars, or to imprisonment not exceeding one year, or to both fine and improisonment. The Minister of Customs and Inland Revenue may make such regulations as are deemed necessary for carrying out the provisions of this section and for the enforcement thereof.

5. Resolved, that any enactment founded on the preceding resolution shall be deemed to have come into force on the first day of September, nineteen hundred and twenty-one.

1. Resolved that it is expedient to amend The Inland Revenue Act as amended by Chapter 6 of the Acts of 1914 (second Session) by repealing section 154 thereof and substituting therefor the following:—

154. There shall be imposed, levied and collected on all spirits distilled, the following duties of excise which shall be paid to the Collector, as herein provided, that is to say:—

(a) when the material used in the manufacture thereof consists of not less than ninety per centum, by weight, of raw or unmalted grain, or when manufactured from sugar, syrup, molasses or other saccharine matter not otherwise provided for, on every gallon of the strength of proof by Sykes' hydrometer, nine dollars, and so in proportion for any greater or less strength than the strength of proof, and for any less quantity than a gallon;

(b) when manufactured exclusively from malted barley, taken to the distillery in bond and on which no duty of customs or excise has been paid, or when manufactured from raw or unmalted grain, used in combination, in such proportions as the department prescribes, with malted barley taken to the distillery in bond and on which no duty of customs or of excise has been paid, on every gallon of the strength of proof by Sykes' hydrometer, nine dollars and two cents, and so in proportion for any greater or less strength, and for any less quantity than a gallon;

(c) when manufactured exclusively from molasses, syrup, sugar or other saccharine matter, taken to the distillery in bond and on which no duty of customs has been paid, on every gallon of the strength of proof by Sykes' hydrometer, nine dollars and three cents, and so in proportion for any greater or less strength, and for any less quantity than a gallon.

Provided however that any person licensed by the Minister of Customs and Inland Revenue to manufacture patent and proprietary medicines and pharmaceutical preparations by the use of spirits in bond subject to The Inland Revenue Act and regulations thereunder, the following duties of excise shall be imposed, levied and collected, that is to say:—

(a) when the material used in the manufacture thereof consists of not less than ninety per centum, by weight, of raw or unmalted grain, or when manufactured from sugar, syrup, molasses or other saccharine matter not otherwise provided for, on every gallon of the strength of proof by Sykes' hydrometer, two dollars and forty cents, and so in proportion for any greater or less strength than the strength of proof, and for any less quantity than a gallon;

(b) when manufactured exclusively from malted barley, taken to the distillery in bond and on which no duty of customs or excise has been paid, or when manufactured from raw or unmalted grain, used in combination, in such proportions as the department prescribes, with malted barley taken to the distillery in bond and on which no duty of customs or of excise has been paid, on every gallon of the strength of proof by Sykes' hydrometer, two dollars and forty-two cents, and so in proportion for any greater or less strength, and for any less quantity than a gallon;

(c) when manufactured exclusively from molasses, syrup, sugar or other saccharine matter, taken to the distillery in bond and on which no duty of customs has been paid, on every gallon of the strength of proof by Sykes' hydrometer, two dollars and forty-three cents, and so in proportion for any greater or less strength, and for any less quantity than a gallon.

Provided further that when such spirits testing not less than fifty per centum over proof are sold and delivered in such limited quantities as may be prescribed by the Minister of Customs and Inland Revenue to any university or scientific and research laboratory for scientific purposes only, or to any bona fide hospital, certified to be such by the Department of Public Health, for medicinal purposes only, a drawback of ninety-nine per centum of the duty paid may be granted, under regulations to be made by the Minister of Customs and Inland Revenue.

2. Resolved that any enactment founded on the preceding resolution shall be deemed to have come into force on the tenth day of May, nineteen hundred and twenty-one.

Resolved that it is expedient to amend The Special War Revenue Act, 1915, as amended by Chapter 71 of the Acts of 1920, by striking thereout sections 19BB and 19BBB, the several enumerations of goods respectively, and the several rates of excise taxes specified therein, and to provide that the following sections be substituted therefor:

19BB. (1) The following excise taxes shall be imposed, levied and collected on the articles hereinafter specified, namely:

(a) A tax on playing cards for every fifty-four cards or fraction of fifty-four in each package,—when selling at twenty-four dollars or less per gross packages, eight cents par pack; when selling in excess of twenty-four dollars per gross packages, fifteen cents per pack;

(2) The excise taxes as imposed by the preceding subsection one shall be payable at the time of importation or when taken out of warehouse for consumption in addition to the present duties of customs or at the time of sale by the Canadian manufacturer, but shall not apply on playing cards when exported, and shall be accounted for to His Majesty in accordance with such regulations as may be prescribed by the Minister of Customs and Inland Revenue.

(3) (a) A tax of thirty cents per gallon on wines of all kinds, except sparkling wines, containing not more than forty per cent of proof spirits;

(b) A tax of three dollars per gallon on champagne and all other sparkling wines.

(4) The excise taxes as imposed by the preceding subsection three shall be payable at the time of sale by the Canadian manufacturer, but shall not apply to such wines when exported, and shall be accounted for to His Majesty in accordance with such regulations as shall be prescribed by the Minister of Customs and Inland Revenue.

(5) Every person selling or dealing in the articles upon which taxes are imposed as prescribed by this section may be required by the Minister of Customs and Inland Revenue to take out an annual license therefor, for which license a fee not exceeding two dollars shall be paid and the penalty for neglect or refusal to obtain a license shall be a sum not exceeding one thousand dollars.

(2) That any such tax, costs or penalties may, at the option of the minister, be recovered and imposed in the Exchequer Court of Canada or in any other court of competent jurisdiction, in the name of His Majesty.

(3) Resolved that any enactment founded on the preceding resolution shall be deemed to have come into force on the tenth day of May, nineteen hundred and twenty-one.

19BBB (1) That in addition to the present duties of customs and excise there shall be imposed, levied and colected an excise tax of one and one-half per cent on sales and deliveries by Canadian manufacturers or producers, and wholesalers or jobbers, and a tax of two and one-half per cent on the duty paid value of goods imported, but in respect of sales by manufacturers to retailers or consumers the excise tax payable shall be three per cent and on goods imported by retailers or consumers the excise tax payable on the duty paid value shall be four per cent.

Provided that in respect of lumber an excise tax of three per cent shall be imposed, levied and collected on sales and deliveries by the Canadian manufacturer and further excise tax will not be payable on resale.

Provided also that the taxes specified in this section shall not apply to sales or importations of;—

Bread;—flour and oatmeal when in packages weighing not less than forty-eight pounds each; animals living; live poultry; meats and poultry, fresh; milk including buttermilk; cream; butter; cheese; oleomargarine, margarine, butterine or other substitutes for butter; lard, lard compound and similar substances, made from animal or vegetable stearine or oils; eggs; vegetables, fruits, grains and seeds in their natural state; hay; straw; hops; nursery stock; chicory, raw or green; bees; honey; sugar; molasses; other farm produce sold by the individual farmer of his own production; ice; fish and products thereof not canned or medicated; ores of metals of all kinds; fuel of all kinds; gold and silver in ingots, blocks, bars, drops, sheets or plates unmanufactured; British and Canadian coin and foreign gold coin; logs and round unmanufactured timber; fence posts, railroad ties, pulpwood, tan bark, and other articles the product of the forest when produced and sold by the individual settler or farmer; newspapers and quarterly, monthly and semi-monthly magazines and weekly literary papers unbound; materials for use only in the construction, equipment and repair of ships; ships licensed to engage in the Canadian coasting trade; calcium carbide; electricity; gas manufactured from coal, calcium carbide or oil for illuminating or heating purposes; materials for use solely in the manufacture of oleomargarine or any substitute for butter or lard or for the production of collolene; artificial limbs and parts thereof; artificial eyes; donations of clothing and books for charitable purposes; settlers' effects; War Veterans' badges; memorials or monuments erected in memory of soldiers who fell in the Great War; articles imported for the use of the Governor

General; articles imported for the personal or official use of Consuls General who are natives of citizens of the country they represent and who are not engaged in any other business or profession; Bibles, prayer-books, psalms and hymn-books, religious tracts, and Sunday school lesson pictures, and the Governor in Council shall have power to add to the foregoing list of articles exempted from the excise taxes on sales, as he may deem it expedient or necessary to exempt from the said excise taxes.

Provided further that the excise taxes specified in this section shall not be payable on goods exported, or on sales of goods made to the order of each individual customer by a business which sells exclusively by retail, under regulations by the Minister of Customs and Inland Revenue who shall be sole judge as to the classification of a business; and a drawback may be granted of ninety-nine per cent of the said taxes paid on materials used, wrought into or attached to articles exported.

(2) That the minister may require every manufacturer, producer, wholesaler or jobber to take out an annual license for the purposes aforesaid, and may prescribe a fee therefor, not exceeding two dollars, and the penalty for neglect or refusal shall be a sum not exceeding one thousand dollars.

(3) That any such tax, costs or penalties may, at the option of the minister, be recovered and imposed in the Exchequer Court of Canada or in any other Court of competent jurisdiction, in the name of His Majesty.

(4) That the provisions of this resolution respecting a tax on sales shall be deemed to have come into force on the tenth day of May, nineteen hundred and twenty-one, and to have applied to all goods imported or taken out of warehouse for consumption on and after that day, and to have also applied to goods previously imported for which no entry for consumption was made before that day.

Hon. W. S. FIELDING (Shelburne and Queen's): Mr. Speaker, we had anticipated that in pursuance of the announcement made some days ago the hon. Minister of Finance (Sir Henry Drayton) would have been able to deliver his Budget speech earlier in the day, and that we might then continue the debate at once, but he was kind enough to intimate to me early to-day that, for reasons which he explained, it would be more convenient to him and to the Government to bring on the speech to-night. We then agreed that in that case, after he had delivered his speech, a motion to adjourn the debate would be in order. With that understanding, I desire now to move that the debate be adjourned.

Motion agreed to, and the debate adjourned.

SUPPLY

House again in Committee of Supply, Mr. Boivin in the Chair.

Civil Government—Health—salaries, $155,612.50; contingencies, $82,000.

Mr. CAHILL: The minister promised us a few days ago a statement regarding the Department of Health.

Mr. CALDER: I might give a very brief review of the work of the department during the year. It will probably be helpful to the committee in considering the Estimates in detail. The Department of Health was created in 1919, and under the Act then passed provision was made for transferring to the Department of Health many activities carried on by other departments of the Government, and shortly after the Act was passed, the necessary Orders in Council were put through for that purpose. The quarantine services as well as the work of medical examination that had been previously carried on by the Department of Immigration were transferred. Under some statute in force the Marine Department had been looking after sick mariners. It was thought advisable that that work should also be transferred to the Department of Health, and that accordingly was done. Then the administration of an Act relating to the adulteration of food was transferred from the Department of Agriculture to the Department of Health. There was also some statute relating to drugs, apart from the statute we were discussing the other day, the Opium and Narcotic Drug Act, and its administration was undertaken by the Department of Health. Then there was an Act administered, if I am not mistaken, by the Department of Inland Revenue relating to proporietory and patent medicines. That work also was in due course transferred to the Department of Health. In addition to these old services which were carried on by various departments of the Government, certain new work was undertaken. It will be remembered that when the Act creating the Health Department was before the House, a suggestion was thrown out that it should contain provision for the creation of a branch dealing with child welfare. That branch in due course was created, and is now under the management of Dr. Helen McMurchy, having been in operation for some months. The housing scheme submitted to the Government some two years ago, and finally approved by the Government, was also handed over to the Health Department.

It will be recalled that certain provision was made in the Estimates for dealing with the problem of venereal diseases, the sum of some $200,000 was placed in the Estimates a year ago, and it is proposed to continue the same sum this year, the Department of Health, co-operating with the various provincial departments of

health, with a view to suppressing those diseases as far as possible. We also had very considerable discussion, I think, at the time the Bill went through, with regard to the advisability of establishing a research bureau in connection with the Department of Health. That has not been done. No progress has been made in that respect, not because a research bureau of the character discussed at that time was not considered advisable, but mainly because we contemplated the establishment of a general scientific bureau at Ottawa, and it was considered wise to let the whole matter rest in abeyance until such time as a decision is finally reached regarding the larger problem.

I do not propose to keep the House very long in dealing with details, but in so far as quarantine is concerned, I may say that the officer in charge of that work for many years in the past, Dr. Montizambert, was retired during the year. He had given long years of service, and, if I remember rightly, he had charge of all our quarantine stations in Canada for something like thirty or thirty-five years. During the year, owing to his advanced age, it was thought well that he should be retired, and that some one else should be appointed in his place. Dr. Montizambert gave very long and valuable service to the country in the work he performed during those many years. His place has been taken by Dr. Pagé, who was formerly our chief medical officer in the Immigration Department at Quebec, and who is now in charge both of the quarantine work and of our immigration medical inspection work. He is now stationed at Ottawa.

We have in Canada four main quarantine stations, one at St. John, one at Halifax, one at Quebec, and one at Victoria. Besides these we have a number of minor stations. Throughout the year, I understand, Dr. Pagé, the officer mainly responsible for the conduct of these stations, has carefully reviewed the whole situation and has made a number of improvements. Other improvements are very necessary, and that applies particularly to our stations at St. John, Halifax, and Grosse Isle, Quebec; and various sums have been placed in the Estimates for the purpose of providing facilities which are necessary in order that the work of these stations may be properly carried on so as to protect our people from infectious diseases. In addition to actually reviewing the situation at those stations and making provisions for such alterations as were necessary, the Health Department has had two of its officers during the past year in Europe and in the United States studying very carefully the plans and methods followed by these countries, and, as a result, I have no doubt at all that a great many improvements will be made in our system in so far as handling these quarantine stations is concerned. Personally, I think, from my own knowledge of the situation and the work carried on during the year, and from the improvements that have already been made, and those that are in sight, I think we may quite confidently say, that there is very little danger of many of the diseases that are now rampant in Europe being introduced into Canada.

As regards the medical inspection of immigrants, I think I may truthfully say that that work is now being carried on much more satisfactorily than was the case in the old days. After the discussion we had some two years ago, when the immigration Act was being amended, and on account of the views that were very freely expressed in the House at that time, and the opinions expressed in the press as well, steps were taken to tighten up as far as possible the work that was being done in that respect, and I have no hesitation in saying that the work is now being carried on much more satisfactorily than heretofore. At any rate, I am advised that fewer complaints reach us in this regard than in the old days.

Two of the officers of the Health Department have also visited Great Britain and Europe for the purpose of advising and helping those who are responsible for passing immigrants at the ports of embarkation. Under the British law, the Board of Trade has its medical officers at the ports of embarkation, and, in addition to that, every shipping company has its medical officers in order to make certain that immigrants that are not sound physically and mentally shall not sail from those ports. Our medical officers have been in consultation with them for some weeks at a time, advising them, as best they can, as to the course that should be followed by them in their inspection and in passing immigrants. I have no doubt whatever that as a result of the work done in that connection very many people have been prevented from coming to Canada who, had they not been rejected at the ports of embarkation, would not have been allowed to land in this country.

We have also adopted the practice during the year of appointing permanent officers for this work. Some five or seven years ago many of our medical inspectors were

merely temporary officers appointed only for short periods, and very often paid by the day. That practice has been entirely abolished and our officers are now permanent men. On the eastern coast, where we have three main ports of entry, namely, St. John, Halifax, and Quebec, in the winter time, when our ports are closed, our officers move to St. John and Halifax, and in the summer, with the great rush of people to Quebec, they locate these. There is sufficient work to keep a full staff of permanent officers engaged, and that plan has been adopted instead of having a number of temporary officers who are changed from year to year. The new plan operates to the advantage of the service generally.

With reference to the care and treatment of sick mariners, it will be remembered that a year ago the fees charged to the owners of vessels were increased, if I mistake not, from one and a half cents to two cents per ton. As a result of the year's operations it will be noted that the fees charged are just a little more than is sufficient to carry on that expenditure—there is a slight saving in that regard. There again, in that branch of our work, the staff has been re-organized. We have adopted the plan of paying our medical officers a lump sum every year for which they are required to render certain services. Heretofore the plan prevailed of paying these men fees for the amount of work which they actually did. Instead of doing so now, we give them a retainer and they are required to give whatever service is necessary in connection with this work; and I am advised that this system is working out very much more satisfactorily than the old plan. We have only some three hospitals left. I think there were six originally but there are now only three, and it is proposed to close one of those shortly. It is in New Brunswick at a place called Douglastown. Instead of our maintaining hospitals, the plan has been devised of having our sick mariners taken care of in the ordinary hospitals in these seaports for which, of course, we pay the daily rates for the maintenance of the patients.

As regards the administration of the Adulteration of Food Act—

Mr. DUFF: Before the minister leaves the subject of the Sick Marineer's Fund; do you also pay for the medicines used by the doctors, or do they pay that out of their salaries?

Mr. CALDER: I understand the amount paid the doctor covers everything that he is required to furnish in the way of medicines. He must himself pay for what is required in the shape of medicines. We simply give him a lump sum which is to cover all his expenses in connection with work—his own service plus what medicines he must buy.

Mr. DUFF: Does the minister think that is a fair proposition? One doctor might have only five patients in the year, and another practioner might have one hundred and five?

Mr. CALDER: That is a detail. I would like to have my deputy here when we come to consider details of that nature. At any rate that is the plan that has been devised and, so far as I know, has worked out satisfactorily. In any event no complaint has reached me regarding it.

I made mention of the administration of the Adulteration of Food Act. Under that law Canada has been divided into twenty-five districts, and there again provision has been made for the appointment of permanent officers who will give their entire time to looking after the administration of the law. I am advised that heretofore we had a fairly large staff of part time employees which plan, I understand, has worked out more or less unsatisfactorily. It seems to me that if there is sufficient work to be done under that law it is far better to have a man permanently on the job who is familiar with the law and with its administration. That has been worked out during the past few years, and now we have a permanent staff in some twenty-five districts extending from coast to coast. In addition to that we have laboratories established at Ottawa, Halifax, Montreal, Winnipeg and Vancouver, these institutions existing for the purpose of analyzing the various food commodities where there is any suspicion as to their having been adulterated, and of course a staff of analysts and chemists is employed for that purpose. Last year we had a vote, for this branch of the work of the Health Department, of some $90,000. This year it has been reduced to $80,000, and I dare say, if we had the figures before us for the year, it might have been still further reduced—because I find that the total expenditure for last year down to March 28, was only some $56,000; so it would appear that we will scarcely require the full vote that is asked for this year. As I said, last year $90,000 was asked for; this year we are asking for $80,000; whereas the total expenditure down to March 28, was only some $56,000. It is quite true the books are not closed and that that amount may be

swelled to some extent. The total revenues collected from the administration of the adulteration of the Food Act and the Opium and Narcotic Drug Act amounted to some $38,373.95. Speaking of the Opium and Narcotic Drug Act, I find that there were convictions in 309 cases during the year, and fines were levied totalling some $57,-265. Of these fines levied, however, only some $16,697 were collected; in other words, a good many people upon whom fines were levied preferred the jail penalty rather than pay the fine. The amount derived from licenses under the Opium and Narcotic Drug Act was $4,760. I have been given some rather interesting figures to illustrate the effect of the provisions included—I think it was last session— in the Opium and Narcotic Drug Act. I have only the figures for nine months, but I dare say the same figures would be true comparatively for the whole twelve months' period. I find, for example, that during the nine months up to the end of December the total quantity of cocaine imported into Canada was 5,007 ounces as against 2,967 ounces for the same nine months' period of the previous year. In the case of morphine there were 9,838 ounces imported as against 23,666 ounces the previous year; and in the case of gum opium the importations for the nine months period were 2,478 pounds as against 12,837 pounds. Those figures certainly show a very remarkable decrease in the quantities of these drugs imported into Canada for the nine months period ending December 31, last.

I do not know that I should take up the time of the committee just now in relating what has been done in connection with housing. I have the figures here, however, and if any member of the committee is interested I shall be very glad to give the moneys that have been allotted each province. I have a statement as to the number of houses that have been built, and as to the manner in which the accounts with the various provinces stand at the present time. If any members of the committee are interested in them. I also have statistics here from all of the provinces, I think, with the exception of one, as to the results of our co-operation with the various health departments in connection with the suppression of venereal diseases. The figures are very interesting. I have some doubt as to whether some of these figures should be given publicity to—that, however, will be a matter for the committee to decide. I have the figures here, and if hon. gentlemen are sufficiently interested in them, and think they should be made public, I will have no objection to submitting them to the committee.

Mr. SINCLAIR (Guysborough): Has the minister any figures in connection with the mariners' dues, showing the amount collected and the amount expended?

Mr. CALDER: Yes, I have those figures. I made a very brief reference to the creation of the Child Welfare Branch in the department which was created some months ago. We were very fortunate in securing the services of Dr. Helen MacMurchy. Personnally, I feel she is doing splendid work there. She has been co-operating with the various health departments, and as a result of her activities a national body has been created that is very deeply interested in this work. They had a convention last year when some 200 delegates were present, and I understand that another convention will be held this year. I have no hesitation in saying that if the work of that department is carried on for a number of years a very distinct advance will be made by all the provinces in connection with the problem of child welfare.

I have run over only very briefly the main activities of the department. I have numerous statistics before me which I think might well be presented upon the various items of the Estimates when we come to them in detail.

Mr. BELAND: The minister has stated that the quantity of cocaine and morphine imported last year showed a great diminution on the importation of the previous year. This is of course very gratifying news. To what activity in particular does the minister attribute that decrease? Is it through a stricter surveillance? And how far has it been exercised with the medical profession, or the hospitals, or the druggists? It has come to my knowledge during the recess that, regrettable as it may be, some medical men have resorted to selling cocaine and morphine to their patients to satisfy their craving for these drugs. I should like to have some further particulars with regard to the work that has been accomplished in restricting this undesirable trade.

Mr. CALDER: I am inclined to the view that the reduction has come as a result of the change in the law and the close supervision of its administration. In the first place, all importers of these drugs must take out a license; in the second place, local manufacturers of these drugs must

also take out a license; and during the year the department has closely scrutinised the records of these licensees. In addition to that. I think that dealers in these drugs generally have come to recognize the fact that the department means business. The mounted police have been co-operating with the department to the fullest possible extent, and I think the reduction in the illicit traffic is due in very large measure to the knowledge the traffickers have that the mounted police are extremely vigilant. Many of the convictions secured during the year have been the result of the operations of the mounted police. Another factor is that on account of the changes in the law the department has been co-operating to a fuller extent with the local municipal police. In other words, more people have become interested in the proper administration of this law, and I think it is a combination of all these circumstances that has resulted in the figures which I have given to the hon. gentleman.

Mr. BELAND: In so far as the regular importation of cocaine and morphine is concerned, I have no doubt that it is not a difficult matter for the department to get from the importers an exact statement of the different channels through which those drugs have been distributed and as to whether the quantity sold to hospitals, druggists or doctors is more than would be required for their lawful needs. But I understand that a large quantity of these drugs is smuggled into the country, and I doubt very much if the mounted police can accomplish very much in preventing it. However, the department is in a better position to judge than I am. It must be extremely difficult to restrict smuggling entirely.

Now, leaving this subject aside for a moment, I understood the minister to say that the Health Department was represented in the port of New York. Am I correct?

Mr. CALDER: One of our officers visited New York.

Mr. BELAND: Has Canada a permanent medical adviser in the port of New York?

Mr. CALDER: No. What I stated was that a couple of our officers had visited Great Britain and the Continent and also the United States to observe the methods there employed in handling quarantine and immigration matters, in order that we might improve our methods if possible.

Mr. BELAND: I have in mind the case of the child of a professor of Laval University who landed in New York with her grandmother and was detained for some time without any apparent reason except that she was not accompanied by her father or her mother. The Minister of Health, who is also Minister of Immigration, will appreciate the predicament in which these two persons found themselves in the port of New York, where they were placed on a small island, I believe, and had to await the arrival of the father of the child, who was notified by wire and arrived on the scene as soon as possible. The department should see that such cases do not occur, especially when the persons concerned are provided with regular passports viséd by all the required authorities.

Mr. CALDER: Were these persons held on account of disease, or was the only reason the fact that the child was not accompanied by her parent?

Mr. BELAND: That was the only reason given. I assume that it is a regulation of the American Department of Immigration, but the case could be taken up and looked into. I have no objection to giving my hon. friend the name; the father of the child was Dr. Vallée, whom the minister may know. The child was, I think, with the mother of Dr. Vallée.

Mr. CALDER: We have at least two immigration officers, not medical officers, at New York. I have no doubt that if that case had been brought to their attention they would at once, if these people were coming to Canada, have advised the United States immigration authorities to pass them along. But it will be understood that on some of these boats thousands of people come in; all sorts of cases have to be dealt with, and the matter may not have been brought to the attention of our officers for some time.

Mr. BELAND: My information is that the case was brought to the attention of the Canadian officer and that he undertook to release the old lady and the granddaughter but was without success for five days, and it was not until Dr. Vallée himself reached New York and showed that he was the father of the child that the child and the grandmother were released.

Mr. CALDER: I shall be glad to look into that case.

Mr. BELAND: Is the old marine hospital in Quebec still used by the Department of Health, and who is in charge of it?

Mr. CALDER: It has not been in use recently, but there is a provision in the Public Works Estimates for repairing the old building, and it is to be put in use again. Dr. Nadeau, I understand, will be in charge of the hospital when it is re-established.

Mr. BELAND: In connection with the European ports of embarkation, the minister has referred—

The CHAIRMAN: Before the discussion proceeds any further I think it is the duty of the Chairman to point out that unless the committee unanimously consents to discuss together all the items of the Department of Health, the Estimates should be considered item by item. I am not blaming the hon. member for Beauce for proceeding to deal with matters of general administration, because he is merely continuing the discussion, but if the discussion is continued along the same lines, it will be agreed that all items shall pass together.

Mr. BELAND: Your observation, Mr. Chairman, is warranted, but I am only following the hon. minister in his general review of the work of the department. If I may proceed with the question, I would ask the minister if the department has considered the advisability of having a medical officer at the principal ports of embarkation for emigrants bound for Canada—Liverpool, Rotterdam, Antwerp and Havre. I have brought this matter to the attention of the department in years past with a view to securing on the other side some system of inspection which would reduce or almost entirely do away with the cases of deportation when the immigrants reach this side—cases which are very sad indeed in their character. Is the medical inspection at Liverpool, for instance, carried on only by the medical advisers of the ship companies?

Mr. CALDER: We have had a couple of officers over there during the last six months, more for the purpose of advising the local authorities—that is, the Board of Trade doctors and the shipping doctors. We discussed this matter on the Immigration Estimates; evidently the hon. member was not present at the time. No one would be more pleased than I would be if we could arrange just what the hon. member suggests. Under ordinary conditions, in order to accomplish the object to which my hon. friend refers, it would be necessary to have a staff on the other side to examine medically all persons coming to Canada and give them a certificate which would enable them to land in Canada, taking the responsibility entirely off the shoulders of the transportation companies. In other words, we would have to maintain a staff on the continent sufficient to look into the cases of all persons desiring to come to Canada, not only from the standpoint of health, but from the standpoint of mentality as well. Now, it would not be sufficient to do that in respect of the people who left Liverpool for Canada, because many persons leave other ports to come to this country—Bristol, London, Southampton, Queenstown, Belfast, Glasgow, and so on. The great bulk of the people may come through certain ports, yet some come from all these other ports. Take the continent: the Italians, for instance, come from Genoa; the Greeks come from ports in Greece, and the same is true all the way around. If you are going to amend a law of this kind so that it will be applicable to all people, the only thing to do is to establish special machinery to handle the whole population in every country in Europe. As I explained to the committee the other day, I estimate that it would cost two or three or probably four hundred thousand dollars, simply to place at the different ports ordinary medical practitioners who could discover a contagious disease such as measles or smallpox or something of that kind. You would also have to have your mental experts. Supposing a man wants to leave Roumania or Greece for Canada and there is a question as to his mental condition. Where are we to catch him?—in Roumania or Greece or at one of our ports? The same problem may come up in the case of a man in the north of Scotland. He leaves from Glasgow. Are we going to put in a special staff so as to catch such a man at that port? The same thing is true as regards all other ports throughout Europe. There is no doubt that the system suggested by the hon. member for Beauce (Mr. Béland), if it were not for the enormous expense involved, is the proper system, but it would involve the expenditure of a very large sum of money. The United States attempted to develop that system in Great Britain, but after trying to operate it for some time they had simply to abandon it. We throw upon the transportation company the responsibility of deciding whether an intending immigrant is all right from the health and mental standpoints. They have their medical officers, and we place large penalties upon the transportation companies if they make a mistake. In

10 p.m.

addition to that, the British Board of Trade are interested in the examination of every emigrant who leaves the British Isles, and they have their medical officers at all British ports in order to safegard their people who wish to go to Canada and other countries. They have a system of supervision, so that you have the double check—the Board of Trade and the medical men of the transportation companies.

Last year for a period of some six months we sent overseas two of our medical men who are thoroughly acquainted with our requirements, standards and everything of that kind. They have got in touch with the medical men of the British Board of Trade and the shipping companies, both in Great Britain and on the continent, at the chief ports. As a result of their representations and work, very much of the hardship that had been occurring in the past has been eliminated. Instead of attempting to establish machinery overseas under which certificates will be given to people giving them the right to land. I rather think it will be better from our standpoint to extend our work there so that we shall have a supervising staff to aid these people in clearly understanding our law and its operation. As the matter stands now, we have the whole problem on the east coast of Canada centralized at the three ports of St. John, Halifax and Quebec, and we can keep at those three points a comparatively small staff of thoroughly trained men, men who work at that class of work for months and months at a time and get very expert at it so that they can have a pretty clear idea, simply by looking at a person, whether or not he should be set aside for examination. To train a large staff to carry on that work properly and to be spread over a large part of Europe would cost a great deal of money.

Mr. BELAND: I have not suggested in particular that the minister and his department should undertake to inspect on the other side of the sea would-be immigrants to Canada. I only asked the minister whether he had considered the advisability of doing that. I realize the force of his argument that the expenditure would be very heavy and if cases of deportation are not numerous, I do not see the advisability of resorting to that policy at all. The minister is, perhaps, in a position to tell the committee what number of deportations occurred during last year.

Mr. CALDER: Those figures were given when we were on the Immigration Estimates.

Mr. BELAND: Leaving that aside for the moment, may I ask the minister whom the department sent abroad to inspect the different ports and confer with medical officers of the different transportation companies?

Mr. CALDER: Dr. Nadeau was in Europe for a period of about five months. When he returned we sent over Dr. Jeffs. Dr. Jeffs has now been overseas for about three months. We have really covered a period of eight months instead of six months as I mentioned.

Mr. BELAND: I understand that Dr. Nadeau visited the principal ports of Continental Europe. I have known Dr. Nadeau for a great number of years, and no better qualified man could have been selected to make the tour, confer with medical men connected with the different ports and give them advice regarding our regulations. Why was the other doctor sent over? Was he sent over to complete this mission or was he sent on another mission?

Mr. CALDER: The department has adopted the practice of using every endeavour to train its chief officers. Dr. Nadeau was sent across in order that he might familiarize himself with the situation in Great Britain and Europe. He spent some five months there for that purpose, and I am sure the hon. member can understand that, in addition to his giving advice, he would also learn a good deal that would be very valuable to him on this side. When Dr. Nadeau returned, he went down to New York, and it was thought well to send over one of our other doctors interested in this work. This scheme of sending our medical officers across the seas is part of the general scheme of the department of giving our chief officers every opportunity for a thorough training in the work of the department.

Mr. BELAND: Who has replaced Dr. Pagé who, I understand, has been promoted to the position formerly occupied by Dr. Montizambert?

Mr. CALDER: Dr. Nadeau of Quebec.

Mr. BELAND: He is in charge of the Immigration hospital?

Mr. CALDER: He has charge of the medical end of our work there. Dr. Pagé was immigration agent and medical

inspector at Quebec. I think Mr. O'Connor is now the agent at Quebec and Dr. Nadeau is health officer at Quebec.

Mr. BELAND: Dr. Montizambert has been a very long time with the department as a higher health officer and later, I think, as General Superintendent of Quarantine Stations in Canada. The minister stated that Dr. Montizambert had been superannuated. Was he retired under the provisions of the Civil Service Act passed last session?

Mr. CALDER: He was under the old superannuation law, and was retired under its provisions.

Mr. BELAND: At his own request?

Mr. CALDER: No, I could hardly say that. I think he was quite prepared to carry on.

Mr. BELAND: We are all sorry to lose Dr. Montizambert's services, and our sorrow is only diminished by the fact that he has been replaced by such a distinguished medical authority as Dr. Pagé.

Mr. CALDER: He is a first-class officer.

Mr. BELAND: The very best.

Mr. McGIBBON (Muskoka): The department is now administering the Opium and Drug Act. How many convictions have been secured, and what quantity of these drugs has been seized?

Mr. CALDER: There were some 309 convictions. I have not the information before me as to the quantity of drugs seized. In the case of these 309 convictions, there were fines imposed to the amount of $57,265. These fines were not all collected, as some of those convicted preferred to stay a while in jail. The amount actually collected in fines was somewhere in the neighbourhood of $16,000.

Mr. McGIBBON (Muskoka): What I am trying to get at is the amount of these drugs that were attempted to be brought into Canada through illegitimate channels. It is quite easy to keep track of what comes in legitimately, but I do not think we are warranted in saying there are certain reductions unless we have some evidence to that effect. All that we know is that there has been a reduction through legitimate channels.

Mr. CALDER: That is quite correct.

Mr. McGIBBON (Muskoka): I would like to ask the minister—I brought this question up when the Bill creating the department went through the House a couple of years ago—if there is not some way of making this Act self-sustaining. Can we not make the fees sufficiently high to pay for the administration of the Act?

Mr. CALDER: To a certain extent the Act is self-sustaining. Let me give an example. The Department of Health deals with the Act respecting the adulteration of foods and the Opium and Narcotic Drug Act. We also have been administering Acts respecting feeding suffs and fertilizers, proprietary and patent medicines, and marine hospitals. In the case of these services the expenditures for last year down to March 28, amounted to $128,382.77, and the revenue derived from the administration of these laws amounted to $126,934.36. That shows a deficit in so far as these services are concerned, of only $1,448. Of course, there are other services. You will find in the general vote, an item for quarantine, for example, in the neighbourhood of $250,000. You could not make that service self-sustaining. Then you have the Civil Government vote of $231,537.

Mr. McGIBBON (Muskoka): When may we expect to have a scientific branch started? Along with the hon. member for South Toronto (Mr. Sheard) I impressed the necessity of this upon the House when the Bill was going through, and when I left the chamber in the old museum I was very much astonished by what a Cabinet minister who has since given up that rank told me. He said that I had only been advocating the passing of an Act which would simply be used for creating more positions and voting more salaries, and that the Act would be absolutely useless. It rather surprised me that a man whom we would have expected to have better judgment could make such a statement. I do think that if this department is going to have any justification for its permanent existence, we ought to branch out into the scientific line. All these other Acts have been successfully administered, perhaps just as successfully as now, by other departments, and I do think that if Canada is going to take her place among the nations of the world in a scientific sense, and if the Department of Health is going to play the part it should play, it is absolutely essential that a scientific branch should be established, with a man in charge with the proper scientific attainments and qualifications. It seems ridiculous to me to see in the Estimates an item

of $10,000 for research, and $200,000 for veneral diseases. It is almost a travesty on our intelligence to bring before Parliament items of that kind. Can the minister hold out any hope of having this department put on a real scientific basis in the near future.

Mr. CALDER: All I can state at present is that the Estimates contain a sum of $10,000 for research work. I am not in a position to state what the further policy of the Government may be in this regard. I may, however, throw this out as a hint as to what may happen. I stated at the outset, when dealing with the Estimates generally, that there is a possibility that provision may be made for a research laboratory somewhere in Canada. In my judgment it would be very foolish to establish a separate laboratory for our purposes. If we are going to have a general scientific laboratory for carrying on scientific research and investigational work, it seems to me that whatever we require in that direction should find a place in that laboratory in order to save expense and duplication, but until that larger question of policy is determined I am not in a position to state anything further in regard to the matter.

Mr. McGIBBON (Muskoka): I do not agree that that is the larger question of policy; I think it is the minor one. The question of industrial or scientific research is an entirely different matter. We have also been advocating that in this House for a good many years, and I am glad that the Government have at last passed a Bill for that purpose. As far as a home for a scientific department is concerned, it might be housed in the same building as the Department of Health, but I do not see how one could be brought under the other or even associated with it. The objects are quite different; scientific and industrial research is an entirely different thing.

Mr. SINCLAIR (Guysborough): I did not get the information I asked for with regard to sick mariners.

Mr. CALDER: I was just wondering whether we were going to take up the items separately. I shall be very glad to give the figures when we come to that item.

Mr. SINCLAIR (Guysborough): I understood that we were going to consider the items together until we got our information.

The CHAIRMAN: I think the committee have agreed to that, and that all the items are to be passed together the moment the discussion concludes.

Mr. CHISHOLM: That is the way I understand the matter.

Mr. CALDER: That is quite agreeable to me. The hon. member for Guysborough (Mr. Sinclair), wanted to know the revenue derived from marine hospitals. The fees collected in 1919-20, the full year, amounted to $78,227.04, and the expenditure amounted to $88,886.36. For the year 1920-21, down to March 28, just prior to the close of the year,—these figures will not be absolutely accurate because the books were not closed at that time—the department had collected $79,047.25, whereas the expenditure down to that time, March 28 this year, amounted to $69,-286.97. In other words, there was about $10,000 on the credit side of the ledger.

Mr. SINCLAIR (Guysborough): That is very satisfactory, but I understood that the rate was increased to twice what it was before. Is that correct?

Mr. CALDER: No, it was increased from one and a half cents to two cents.

Mr. SINCLAIR (Guysborough): The rate has been doubled.

Mr. CALDER: No; if it were doubled, it would be three cents.

Mr. SINCLAIR (Guysborough): Is it not three cents now?

Mr. CALDER: No, two cents.

Mr. SINCLAIR (Guysborough): Then I think there should be a larger increase in the revenue. The revenue in 1919, under the old rate, was $69,243.65, according to the returns, so that there is very little increase in the revenue this year.

Mr. CALDER: I understand that the new rate only went into effect on January 1 of this year, so that there will be nine months of the last fiscal year under the old rate.

Mr. SINCLAIR (Guysborough): Do government ships pay dues the same as other ships? We have two classes of government ships, the ordinary marine vessels that are used for lighthouse service, like the Stanley and the Lady Laurier, and ships of the Canadian Government Mercantile Marine. Do both or either of these classes of ships pay the ordinary dues?

Mr. CALDER: I understand that the government ships have not been charged this rate.

Mr. SINCLAIR (Guysborough): None of them?

Mr. CALDER: No, the reason being that in the past none of the government ships run by the Customs Department, the Inland Revenue Department, or the Marine Department, have ever paid these fees. Where their mariners have been sick they have been taken care of in the ordinary way, and the accounts for their care have been charged against the department. That is the custom that has prevailed in the past.

Mr. SINCLAIR (Guysborough): That does not seem to be fair.

Mr. CALDER: I do not like it myself.

Mr. SINCLAIR (Guysborough): There is no reason in the world why Government ships should escape taxation and the care of the mariners employed by the Government should be thrown on the other ships. But that is apparently what the Government does. I notice by the Auditor General's report that this statement is borne out, a considerable sum of money having been expended in taking care of sailors on Government ships. Apparently this expenditure is charged against the revenue collected from the ordinary mercantile ships. This seems to me to be a grievous discrimination. The Government has never taken care of sick sailors on the coast of Canada; I can make that statement without the slightest hesitation. They have neglected the duty of looking after these sick mariners, and I know this to be the case in my own constituency as well as along the coast of Nova Scotia. Every hon. gentleman in this House from that part of the Dominion knows that proper attention has never been given by the Marine Department to sick sailors in Eastern Canada. The way in which doctors are paid is a good illustration of the Government's policy. The doctor is given a lump sum of $400 or $500, and he is supposed to provide medicine out of that. You can understand what this means in a port where sick sailors come in requiring expensive medicine. It simply means that the sailors do not get medicine at all, for it would be impossible for the doctor to buy drugs, at present rates, to be prescribed for any number of sick sailors out of the small amount he gets as a salary. That is one of the systems carried on by the Government in the penurious way in which they have dealt with this matter. I protest against the practice of charging the care of sick sailors on Government ships against this fund, as well as against the neglect which is shown these men, the reason for which is the alleged fact that there is no money in the fund to look after them. As a matter of fact, there has been a considerable surplus in this fund for a good number of years. I remember that this matter was looked into some time ago, and there was a large sum of money—some $200,000 I believe—of a balance to the credit of the fund. Application was made in my own constituency many years ago for some accommodation for the sick sailors at the town of Canso, which is the largest fishing port in the Dominion, or at all events, on the Atlantic coast. More ships call there and more sailors visit that port than is the case with any other port in Eastern Canada; and yet there is no accommodation for sick sailors. The nearest marine hospital situated at Louisburg, which is 140 miles distant from Canso by any means of public conveyance. No steamer runs between Canso and Louisburg, and the only way of reaching the latter place from Canso would be to take the patient up to Mulgrave, some thirty miles away, and then to Sidney, another ninety miles and from thence to Louisburg or to Antigonish, which is also a long distance from Canso. The only thing to be done in a case like this is to provide some hospital accomodation at Canso itself for sick sailors. This question has been brought to the attention of the department many times, but nothing whatever has been done. I presume that the ships of the Mercantile Marine are treated in the same way, are they not? Do they pay?

Mr. CALDER: When the hon. member asked his question, he referred to Government ships, and I immediately asked the officers if they paid the ordinary tonnage rate and was advised that they did not. But they had in mind, not the Canadian Merchant Marine, but the ordinary boats run by the different departments, which do not pay. The Canadian Merchant Marine boats pay the same as the others. With reference to doctors engaged at comparatively small figures running from $300 to $400, in the great majority of cases the sick seamen are sent to hospitals and the charges for medicines and supplies are included in the hospital bill.

Mr. SINCLAIR (Guysborough): But take a place where there is no hospital?

Mr. CALDER: Where that does not prevail, the medical man himself out of the annual fee agreed upon provides whatever is required in the way of medicine. He is a party to the agreement, he expects it, that is his bargain, it is understood; so there cannot be any very great hardship in that connection. After correspondence and consultation with these men they came to an agreement as to what amount should be charged as an annual fee.

Mr. SINCLAIR (Guysborough): It is news to me that the doctor is allowed to state the amount he will take for attending the sailors and paying for the medicine. If that was the case there would be no complaint, and we would not have cases like that at Canso where a small sum of about $500 is paid to a doctor, which amount is to include the cost of medicine. My hon. friend's statement is not really a recital of what actually does happen. The doctor is offered a small sum to attend to this duty at the port, but he is not consulted as to what medicine shall be used. If he were he would tell a very different story from that told by my hon. friend. It is a cause of complaint among the doctors all along the coast that, out of the small salary they receive, they have to furnish medicine principally to the sailors. It is an improper method in the first place and my hon. friend ought to correct it. There should be a separate account for the medicine. The medicine is one thing; the doctor's service is another thing. They should not be mixed up together in the way my hon. friend states because it operates to the neglect of the sailor; it cannot operate otherwise. Sometimes expensive medicine is required, the salary of the doctor is often not more than $400 or $500, and it would be impossible, as every medical man knows, to give any decent treatment on a salary like that and pay for the medicine, especially as the sailor is a long time under the doctor's care. The system is wrong, and I would like my hon. friend to say now, before we get through with this discussion that he will correct it. This matter has been turned over to the Department of Health. The Marine Department is not supposed to know anything about health matters, but this department does know, it is their business, and they ought to deal with the question in a businesslike way. Pay the doctor a certain salary for looking after the sailors, and pay for whatever medicine is required out of the fund. The fund is in a healthy condition so far, and there is no reason why we should be penurious about it. It has given a credit balance this year, it will likely give a larger one next year. It has constantly given a credit balance, I think, and there is a large balance to the credit of the fund when you add up the results of the different years. Now, there is no reason why we should treat sailors this way. We are collecting money from the ships for the special purpose of taking care of them, and the Government is a trustee for the distribution of that money. I want to be emphatic on this question; the matter should be adjusted by the Health Department and adjusted at once.

Mr. CALDER: I am inclined to agree with the statements made by the hon. gentleman who has just spoken. Hon. matter has now come to my attention and I can see that there is a good deal in the argument. I might state, however, that the amount that has been fixed for a fee for the doctor at these various ports has been based upon past experience covering a number of years. Well, that in itself may be all right, but I can quite conceive of a case where a doctor might have half a dozen sick mariners, with a certain class of disease, or diseases, that would require a great deal of costly medicine. I can quite conceive of that, and it seems to me that the suggestion thrown out is worthy of every consideration and should be gone into with a view of seeing whether or not we cannot work out a system along the lines which have been suggested. I can promise the hon. gentleman that I will be only too glad to do that. I will admit at the same time that I can see a great deal of force in his argument, and I hope we will be able to work out some plan along that line.

Mr. SINCLAIR (Guysborough): Will my hon. friend also look into this question of the hospital at Canso?

Mr. CALDER: I will be only too glad to do so.

Mr. SINCLAIR (Guysborough): I would like him to give that matter serious attention.

Mr. CALDER: I shall look into it.

Mr. SINCLAIR (Guysborough): I would like my hon. friend to do this specially because I know it is the policy of the Government to close up these hospitals, and it is a good policy in places where ordinary hospitals exist for treatment.

Mr. CALDER: What is the nearest hospital to Canso?

Mr. SINCLAIR (Guysborough): I was explaining to my hon. friend that there were two or three hospitals, but I suppose the hospital in Antigonish would be the nearest.

Mr. CALDER: About how many miles distant would that be?

Mr. SINCLAIR (Guysborough): About a hundred. It is rather difficult to remove the patient, who is on a boat, to the train and convey him to the hospital at either Antigonish, Louisburg, or Halifax; there are three hospitals to which patients from Canso can be sent. Men have lost their lives at Canso in recent years because they could get no proper treatment there. In some cases it was impossible to remove them to a hospital, they had to be treated in a kitchen or some place where people would take them in, as there is no hospital of any kind there. The consequence has been that sailors have not had the proper treatment at that place. The matter has been brought to the attention of the Marine Department constantly for years back, and promises have been made but nothing has ever been done. I would submit that the proper way to deal with this question would be to have a cottage hospital at Canso, and for the department to agree to pay a substantial sum for the purpose of maintaining it, throwing the rest of the burden upon the town. There is no reason why something should not be done by the town as well as by the Government provided the hospital can be made to serve the sick of the town as well as the sailors. I think an arrangement could be made by which the local people would bear part of the burden, if the Government would give a substantial amount each year towards maintaining a small hospital there to look after these sick mariners.

Mr. CALDER: I shall be very glad to look into it.

Mr. CHISHOLM: My hon. friend from Guysborough has been very moderate in his figures. The fact of the matter is that these medical men are often only paid $300, and the medical man in his own town of Canso was only paid $468.75 for fifteen months' work.

Mr. CALDER: He will get $550 next year.

Mr. CHISHOLM: Well, if he got $550, as my hon. friend has said, he would expend that in drugs if he gave proper treatment to the patients. The same condition obtains all along the coast. My hon. friend has made a strong plea for a hospital at Canso. He has made out a very strong case, I admit, but the same condition obtains along other sea-coasts. Take the coast of Inverness county. There you find one hundred miles of sea-coast where a large percentage of the population devote their entire time in the summer season to fishing and sailing. These men go outside the province, and therefore are entitled to participate in the Sick Mariners' Fund. There is not a hospital within a hundred and fifty miles, there is no hospital in the county, I may say, but an effort is now being put forth to build a hospital there. I would suggest to the minister that perhaps he could adopt some policy or other by which the department would give reasonable assistance to the building of that hospital. The department would then have, so to speak, a claim on that hospital for the treatment of the sick mariners. I would urge him to take that matter into consideration. As to the salary paid to the doctors, the policy now adopted is simply unique. I can explain it because those concerned are doctors, and as usual they give their services for nothing. I could tell my hon. friend the number of patients that have been treated in Cheticamp, but before doing that I would ask the minister one question: Do these men send in any report to the department as to the work they do, or as to the number of patients they treat? I see my hon. friend has the data there. If I were to tell the minister the number of patients that have been attended to at Cheticamp and Grand Etang alone, he would be surprised and would wonder how the doctors could have given those patients proper attendance and medicines on the small amount of money that is allotted. So really I am afraid the doctors accept these positions simply because their work is humanitarian. The minister's explanation a moment ago is not sufficient. It is not fair to say that because these men have been generous enough to give their work for nothing, merely getting sufficient from the Government to pay for the drugs they prescribe, that the present inadequate remuneration should be continued. It is not encouraging. These men, I suppose, would give much better service if it were shown that the country appreciated their work, and the only practical way of showing that appreciation is by the Government increasing the salaries, and that is a most reasonable request. I think the department should

come to one conclusion, and that is to pay these men something reasonable or tell them, "We do not want your services."

Mr. CALDER: Probably if I had before me a statement of the number of patients each officer treated in the year I would be able to give some justification for the method that has been followed. But I quite realize the force of the argument presented by the hon. gentleman. It is quite possible that a doctor might spend all his remuneration on drugs if he is doing the right thing by his patients. I shall be quite prepared to go into the whole subject sympathetically with a view to trying to meet the arguments that have been advanced.

Mr. DUFF: I am very glad indeed that my question has brought forth this discussion, because the subject is a very important one and affects certain officials of his department in the maritime provinces. It was brought to my attention some years ago that the physician who was looking after the marine hospital in my home town was not receiving very much for his services. I think if the minister will look over his statistics he will find that more patients are treated in the marine hospital at Lunenburg than in any other hispital on the Atlantic coast. This man, although to-day getting $500, which includes the medicines he has to purchase for the sick mariners he attends, only two years ago was getting but $300.

Mr. CALDER: $600 this year.

Mr. DUFF: But he got only $500 last year.

Mr. CALDER: Yes.

Mr. DUFF: He is a very worthy physician and gives excellent care and attention to his patients. I feel confident that if the minister will look into the matter he will come to one conclusion, that the payments for salary and medicine should be separate. During the war when medicine was very expensive this doctor informed me that it took practically all his salary to pay for the medicines he supplied. The hospital is about two miles from the town and he has to drive out there three or four times a day to look after the patients as well as to go aboard the ships and examine the sick mariners before they are taken to the hospital. The position is no sinecure and the doctor should be paid a good fair salary.

I agree with what the hon. member for Guysborough has said in regard to the Canso hospital. Vessels from my county call at Canso perhaps more than at any other port in Nova Scotia or Newfoundland. It is a port of call for these vessels when going either to the Grand Banks, the banks off Nova Scotia coast, or up into the gulf of St. Lawrence. I have seen in the port of Canso 100 sail of vessels carrying crews of from fifteen to twenty men. There is no hospital there at the present time, and one should be established at the earliest possible moment, for the reason that sick mariners landed at Canso to-day have in a great many cases first of all to be taken from their ship to another ship which runs from Canso to Mulgrave and then transferred to the train for Halifax. I have known of several cases where sick men landed from ships belonging to my own county have died on the way to Halifax, and in other cases their condition has been so imperilled that their lives were despaired of for a long time. This condition of affairs should be remedied at the earliest possible moment.

Another matter which should be attended to is the treatment of sick mariners who are landed at Newfoundland ports. As the minister is well aware, 150 sail of vessels carrying some 3,000 men leave the county of Lunenburg every June on what is known as the summer fishing trip and proceed to the Grand Banks, about 100 miles east of Cape Race. While on the banks they call at Cape Broyle, St. Johns, Carbonear, Burin and other Newfoundland ports and land any sick men, but under the Act there is no provision for looking after them when they are sent home to Nova Scotia. That is to say, they are not allowed to enter their home hospital for the simple reason that they were taken sick outside the province, and consequently the owner of the vessel has to pay for the men's passage home and then the men themselves or their employers have to pay for their medical attendance and hospital bills. I think the minister will agree with me that the department ought to pay these expenses, or allow the men to enter hospital immediately on their return to their home port. The present situation is very unfair in view of the fact that these ship owners pay their fees and are getting no benefit therefrom. I trust the minister will look into the matter and issue orders that under these circumstances the men shall be properly looked after by the Health Department.

Mr. CALDER: I shall be very glad to look into that question as well. In the

case of these fishing vessels, if a man is seriously ill and landed in Newfoundland, is any provision made for caring for him there?

Mr. DUFF: None whatever; the owners of the vessel have to pay all the bills.

Mr. CALDER: And if a man is capable of being moved he is taken back to Nova Scotia and the owner of the vessel must pay his fare and all expenses until such time as he is placed by the department in some hospital.

Mr. DUFF: No, the man comes home; he has to pay his own doctor's bills and get his own medicine, or the cost is met by the owners of the vessel. The department will take no responsibility and will not pay the bills.

Mr. CALDER: I shall be very glad to look into it.

Mr. SINCLAIR (Guysborough): I would like the minister also to look after the Minister of Marine and see that he pays his sick mariners' bills as well as other people.

Mr. CALDER: Is my hon. friend referring to the Canadian Merchant Marine?

Mr. SINCLAIR (Guysborough): I am referring to the ordinary vessels in the Government service such as the Laurier and the Stanley and the Montcalm and a number of others, all with large crews. The care of these men, when ill, is all charged up against sick mariners' dues, and nothing is paid into the fund by these Government vessels. I find, however, in the Auditor General's report that expenditure is charged up against this fund.

Mr. CALDER: It is recouped by the department. In the first instance it is charged up against the fund but the accounts are finally squared by calling upon the department to reimburse the amount.

Mr. SINCLAIR (Guysborough): Well, the expenditure is here, making up the amount that my hon. friend said he had spent during the year. The vessels are the Aranmore, Druid, Estevan, Lady Laurier, Laurentian, Light Ship 15, Montcalm, Stanley, Tug Lisgar, Patrol Boat Bethelama, Patrol Boat F, Lillooet and Madras. These boats are mentioned in the Auditor General's report and expenditures made in connection with them are all apparently added into the expenditure that my hon. friend has mentioned.

[Mr. Calder.]

Mr. CALDER: My hon. friend will find a corresponding amount on the revenue side.

Mr. SINCLAIR (Guysborough): I submit I am entitled to an explanation from my hon. friend. I have already understood him to say that no money was collected from the sailors on these Government vessels. Now, here is money expended from the fund, and that is what I want explained.

Mr. CALDER: As I have already stated, if there is a charge of this kind for taking care of sick mariners on these vessels the charge is first made against this fund and afterwards the amount which is paid is reimbursed by the department owning or operating the vessels.

Mr. SINCLAIR (Guysborough): Why is that not shown in the Auditor General's report?

Mr. CALDER: It will be found on the revenue side.

Mr. DUFF: When my hon. friend looks into the matter which I mentioned with regard to sick seamen, will he advise me when he has the information, because in a month's time the vessels will be leaving for Newfoundland, and I would like to be able to advise the captains as to the position they will be in.

Mr. CALDER: I shall be very glad to do that.

Mr. CHISHOLM: I have on several occasions directed the attention of my hon. friend's department and of the Marine Department to a most peculiar condition which exists: a vessel sailing between ports in Nova Scotia cannot participate in the sick mariners' fund, but if that vessel goes to Magdalen Islands or any place outside the province, she may participate in the fund. That has always struck me as a most extraordinary condition.

Mr. CALDER: The law would have to be amended to change that.

Mr. CHISHOLM: That is what I have been protesting against all along. For the last fourteen years I have been bringing the matter to the attention of the Minister of Marine, because it does not appeal to me as being reasonable.

Mr. CALDER: It does not strike me as reasonable.

Mr. CHISHOLM: Will the minister give me the promise that he will look into the matter and that he will bring down

legislation next year removing that absurdity?

Mr. CALDER: I will not promise to bring down legislation, but offhand it strikes me as a very peculiar arrangement. You have the condition where a boat which makes a small trip of ten miles outside the province—say, to an adjoining province—comes under the operation of the law, whereas, if the trip is, say, 400 miles around the coast of the province, the law does not operate. It seems to me that there must be some history in connection with this law when it has stood for fourteen years notwithstanding frequent protest by hon. members. I shall certainly look into the matter and see what the explanation of it is.

Mr. CHISHOLM: If there is any history I have never been able to learn it; I never could get any explanation from the minister or from the officers of the department.

Mr. DUFF: I can give the minister another thought with regard to the way this matter works out. A vessel leaving a port in Nova Scotia to proceed to another port in Nova Scotia to load for a foreign port does not come under the operation of the Act. For instance, two years ago, during the influenza epidemic a number of vessels were chartered in Nova Scotia to go to North Sydney and load coal for St. John's, Newfoundland, and then to proceed to Barbados or Europe. When they arrived at North Sydney the crews took sick. These vesesls had paid sick mariners' dues but it was found under the Act that the crews could not be received in the hospital and that the Marine Department, under whose charge the sick mariners' dues were at the time, would take no responsibility. The result was that although, as I say, the vessels had paid their sick mariners' dues, the owners of the ships—or the sailors themselves, whether they went home or were under the doctor's care in North Sydney—were compelled to pay their own expenses. I tried to get the Minister of Marine to change the law a year ago but nothing has been done. I certainly think that the crews of vessels which have to proceed to a local port to take cargo to a foreign port should, in case of illness at the port where the vessel is loading, be treated in the same manner as if the illness had taken place in other than a local port.

Mr. BELAND: There is a good deal of misrepresentation on the part of dealers and manufacturers with regard to the supplying of coffee to the consuming public. There are offered for sale in tins different brands of coffee, all more or less represented as the pure article and as more delicious than the coffee you would obtain if you ground the beans yourself. Now, is the department taking any action in this regard? I know of some ground coffee retailing at 70 or 75 cents a pound in which there is not more than 25 per cent of real coffee the remainder being made up of peas, chestnuts, acorns, tree leaves and so on. It is one of the greatest exploitations of the public by unscrupulous dealers. Will the department not take the matter in hand, gather samples of the different brands of coffee that are offered for sale in tins, analyse them and put through regulations, or, if the department has no authority, have legislation passed to compel those manufacturers to specify clearly on the tins: "This contains 20 per cent of coffee only and no more"? The public is under the impression that it is getting the pure article, or at least 75 per cent coffee and, say 25 per cent chicory. A mixture like that is a good one and a very agreeable beverage, but will you find a single one of those mixtures containing more than, say 30 per cent of coffee? I do not believe you will. The department seem to be absolutely heedless of this shameful exploitation of the consuming public. I am a drinker of coffee, and I always ask myself why the department does not take up this question. My answer is that the officials are Englishmen who are used to tea, and they do not care about the quality of the coffee. But try to make an old English lady drink adulterated tea, a tea that is only 20 per cent pure, and you will hear a storm brewing somewhere.

Mr. JACOBS: "A tempest in a teapot."

Mr. BELAND: It will be "a tempest in a teapot" this time. As regards coffee, which is a wholesome stimulant, which is an article that you will find on every breakfast table in Quebec and very much now throughout the English provinces, why should we not be supplied with the pure article or, at least, know what we are getting? We do not know. This commodity is being sold at a fancy price without the public having any possibility of knowing whether the product is adulterated or not.

To pass from coffee to maple products, according to the existing law you are sup-

posed to get only the pure article when you buy maple sugar, or maple syrup especially. I make the statement without any fear of successful contradiction that the market is flooded with adulterated maple syrup. Unscrupulous manufacturers and dealers now avail themselves of the general impression that prevails that when you see maple syrup on a tin, it must be and is pure; but in the majority of cases it is not the pure article; it is a mixture, and the public should know that it is a mixture and the exact quantity of pure maple syrup which the article contains should be stated. I insist upon the department collecting samples, not only of maple syrup, but especially of ground coffee offered for sale in tins and letting the public know what they contain. These articles will then sell at the price at which they should be sold, and that is a few cents a pound and no more.

Mr. CALDER: I am personally glad the hon. member for Beauce (Mr. Béland) has brought these matters to our attention. Canada, as regards the Adulteration of Foods Act, is now divided, as I stated at the outset, into five districts. During the year we have adopted the policy of having permanent officials in charge of the work in each of those districts. I find, for example, that in Montreal we have four officers, one of whom is on part time. There are a few part-time officers still left. We throw the administration of the law upon these permanent officers; it is their duty, under the law and under instructions from the department, to endeavour, in every way possible, to chase up people who deal in these adulterated food products.

Mr. BELAND: I am afraid the officers are too lenient as regards coffee especially.

Mr. CALDER: I am very glad the hon. gentleman has called our attention to the matter because it will be my business to take it up with the department as regards these two products, at least; that is maple products and coffee. The hon. gentleman rather frightens me because I use daily one of these coffees put up in a tin can.

Mr. BELAND: The minister is drinking peas all right.

Mr. CALDER: I had better have it analysed just for the purpose of knowing what I am drinking daily because there may be but a small proportion of pure coffee in the article. There is no doubt that if either of these conditions prevail, if the market is being flooded with large quantities of coffee that is not coffee at all or that contains only a small proportion of pure coffee, we and the public should know that. If we have a law that provides for the sale of pure maple products, and if that law is not being lived up to, we should follow the matter up, and see that the law is carried out.

Mr. BELAND: Have all the provinces availed themselves of the amount that was voted last year for combatting venereal diseases?

Mr. CALDER: All of the provinces, with the exception of New Brunswick and Prince Edward Island. New Brunswick would have been entitled to $7,517 and Prince Edward Island to $1,915. That would be the total amount to which they would be entitled out of $200,000, and they have not availed themselves of the grant.

Mr. BELAND: The remaining provinces have taken the whole of the amounts to which they are entitled?

Mr. CALDER: Yes, but unless quite recently, they have not been paid the full amounts to which they are entitled. Generally speaking—I am speaking broadly, there may be one or two exceptions—all the provinces have expended far more than the grants paid to them. For example, I find that Manitoba has a grant from us of $6,305 and, according to the last figures available, she spent on this work $30,201.

Mr. BELAND: Is that all that was allotted to Manitoba?

Mr. CALDER: $12,611 would be the total grant for the year. I find that Saskatchewan was entitled to $15,361 and the last figure that we have available indicates that Saskatchewan, in dealing with the problem, spent $53,571. Thus most of the provinces are spending far in excess of the grants which they are paid.

Mr. BELAND: They are earning the subsidy all right?

Mr. CALDER: Yes.

Item agreed to.

Grant to assist the Canadian Association for the Prevention of Tuberculosis, $10,000.

Mr. CHISHOLM: Will the minister explain this item?

Mr. CALDER: This is an old grant which has been carried on from year to year. I think it was first started in the

year 1902 when it began with the grant of $1,000, and it was gradually increased to $5,000. In 1910, the amount became $10,000, and $10,000 has been paid annually since then. This Association was formed some years ago and it is still being carried on under Dr. Porter, who is the secretary. It has interested itself during all these years in the care and treatment of tuberculous patients. I think it may be said that, as a result of the activities of this organization, there has been established throughout Canada from coast to coast a series of sanatoria that have done a splendid work in caring for this class of patients. From my general knowledge of the situation I would say that their work is not yet through. It is now very largely of an educative nature, and I think it might very profitably continue for a while at any rate.

11 p.m.

Mr. JACOBS: What can you do with $10,000? That is nothing.

Mr. CALDER: I presume they get other funds as well.:

Mr. BELAND: The association gets very large subscriptions from the public. This grant has been made for a number of years, and I think very properly. I have been connected with the activities of the association all over Canada, and I think the grant is a very small one. The association is supported largely by the public, and their work is commended in all respects. Dr. Porter is the secretary. He travels a good deal and any one who has come in contact with him and heard his lectures will agree that they are very, very instructive and useful.

Item agreed to.

Grant towards defraying the expenses of the Canadian National Committee for Mental Hygiene, $10,000.

Mr. CALDER: This grant was first paid in the year 1919-20. This organization was formed for the purpose of investigating the mental condition of at least some of our people—those found in asylums and jails and other institutions of that character. Dr. Martin, of Montreal, is president, and the executive consists of Drs. Clarke, Mundie, and Hincks. I had the privilege two years ago of meeting a committee representing these gentlemen and discussing their work with them. I got a good many of their reports at that time, and went through them, and in my judgment the association is carrying on a very valuable work. They have assisted the provinces very materially. They have made a survey of the institutions in Ontario, Quebec and Manitoba, and I know they have had an invitation to do so in Saskatchewan, but I do not know whether they have yet visited that province. Their survey was undertaken mainly with the object in view of advising these provinces as to the treatment of mental defectives. I remember meeting one of the doctors from Quebec, Dr. Desloges, who is Superintendent of Health for that province. He was very pleased with the work this association had done in that province and with the assistance he had received. It is proposed that this grant should be continued this year. Whether or not it should be continued after that, will be a matter to be decided in the future. I have no hesitation in saying that these gentlemen have done very valuable work. When the association started, they collected $50,000 by private subscription, and it was only after collecting that amount that they came to us because their Budget covered a very much larger sum. They came to us for a grant of some $10,000. I presume that within the last two years they have raised large amounts by private subscriptions. In any event, I think they are doing a very valuable work.

Item agreed to.

Progress reported.

BANKRUPTCY ACT AMENDMENT

House again in Committee on Bill 118, to amend the Bankruptcy Act, Mr. Boivin in the Chair.

The CHAIRMAN: When this Bill was last before the committee, on Tuesday, May 3, all of its clauses had been read and considered; a majority of them had been adopted, but clauses 11, 12, 40, 41, 42 and 43 had been allowed to stand. Mr. Guthrie had also proposed to amend clause 11 by inserting after the word "Act" in line 51, on page 4 of the Bill, the following words: "for the purposes of such meeting," but this amendment had not been adopted.

Mr. GUTHRIE: I think the amendment has now been practically agreed to.

Amendment agreed to.

Section 11, as amended, agreed to.

Section 12, agreed to.

On the motion of Mr. Guthrie the committee by unanimous consent returned to

the consideration of clause 8—receiving order or assignment to be filed:

Mr. GUTHRIE: I move to strike out clause 8 and substitute therefor the following:

The Act is amended by inserting immediately after section ten, the following:—

Every authorized trustee to whom an assignment is made under section nine of this Act shall within four days of such assignment fyle, in the Court having jurisdiction in the locality of the debtor, the said assignment, and should another authorized trustee be subsequently appointed in his stead such other trustee shall within four days of his appointment give notice thereof to the said court.

I am taking this clause from the Bill now before the House introduced by my hon. friend from George Etienne Cartier (Mr. Jacobs).

Section as amended agreed to.

Mr. GUTHRIE: I move to insert, immediately after section 8, as section 8 (a) the following:

Section 5 is amended by adding as sub-section (2) the following: (2) the said interim receiver may, under the direction of the court, summarily dispose of any perishable goods and carry on the business of the debtor for all conservatory purposes.

Mr. JACOBS: That clause is suggested by Mr. Justice Panneton, judge of the Superior Court of Quebec.

Mr. MORPHY: There is no definition of the word "conservatory" in the clause. Is it left to the judgment of the judge?

Mr. GUTHRIE: It only applies to perishable goods.

Mr. MORPHY: I did not know the word "perishable" was in the clause.

Section agreed to.

Mr. GUTHRIE: I move to insert as clause 8 (b) the following:

Paragraph (b) of sub-section 1 of section 11 is amended by adding at the end thereof the following words: "and except also the rights of a secured creditor under section six of this Act."

This is suggested by the same learned judge of the province of Quebec.

Section agreed to.

Mr. GUTHRIE: I move to amend section 40 by replacing in lines 10 and 11, the word "one" by the word "three."

Mr. JACOBS: That is to say, under the new law the landlord will be entitled to six months' rent, three months past due, and three months accelerative?

Mr. GUTHRIE: Yes.

Amendment agreed to.

[Mr. Guthrie.]

Section as amended agreed to.

Sections 41, 42 and 43 agreed to.

Mr. GUTHRIE: I move to add to the Bill, as clauses 52 and 53 thereof, the following:

52. The French version of The Bankruptcy Act, chapter thirty-six of the statutes of 1919, is hereby amended by striking out the words "tenir maison" in the last line of paragraph (d) of section three thereof, and substitutisg therefor the words "se renfermer dans sa maison."

53. Section eleven of the said French version of the said Act is further amended by striking out the word "meubles" and replacing it by the word "réels" in the eighteenth and twenty-third lines of subsection one, in the eighth line of subsection eight, in the fifth line of subsection nine and in the seventh line of subsection eleven.

Mr. CANNON: Would the hon. member who suggested that amendment please explain it?

Mr. JACOBS: When I introduced the Bill originally, I explained that the French version is not quite in accordance with the law as it was intended to be placed on the statute book. The words "tenir maison" are in the statute instead of the words "se renfermer dans sa maison." That is, in the section itself one of the acts of bankruptcy which the insolvent can commit is "keeping house," and the party who translated the expression into French, instead of saying "se renfermer dans sa maison" translated it literally and said "tenir maison," which means that the insolvent keeps house or is a housekeeper, which is not an act of bankruptcy. The amendment is purely for the purpose of bringing both versions into harmony.

Sections agreed to.

Mr. JACOBS: Before the Bill is reported, I would draw to the attention of the Acting Solicitor General the question of the remuneration of the trustee and of the solicitor. Section 40 of the Act deals with the remuneration of the trustee, and another section, which I have not before me, provides for the remuneration of the solicitor of the estate. The law says that the trustee is entitled to a remuneration of 5 per cent. Section 3 of section 40 provides that the remuneration of the trustee shall not, under any circumstances, exceed 5 per cent of the cash receipts. Subsequently, when the general rules under the Bankruptcy Act were passed, a table of fees was provided, under which the trustee is entitled to various fees for different services which he renders while managing the estate. The trustees in bankruptcy in the province of Quebec,—I do not know

what they do in the other provinces—not only credit themselves with five per cent remuneration, but also with these fees, and in many cases the trustee walks off with the entire estate. Now this law was passed for the purpose of keeping down costs and seeing that the creditors get something out of the estate, but the creditors now find they are in a very much worse position than they were before this Act was passed. I should like to know from the Acting Solicitor General whether it was intended that these trustees should receive the remuneration provided for in section 40 and also the fees referred to in the general rules? Whatever I have said also applies to the solicitors themselves. If it is a fact that both the solicitors and the trustees are entitled to the five per cent each, plus these fees as provided under the general rules, we would like to know forthwith because, as I said before, the Act will not function very long if this is allowed to remain in force.

Mr. GUTHRIE: I thought, Mr. Chairman, that the Act was very clear and definite upon the question of costs and the question of fees. The whole remuneration of the trustees is dealt with under section 40, and subsection 3 of section 40 is very specific. It says:

> The remuneration of the trustee for all services shall not under any circumstances exceed five per cent of the cash receipts.

That is an absolute limitation, and that is for all the services that he performs. But in any event his fees are again limited to such an amount as the creditors shall see fit to vote to him. He is not entitled to exceed that limit or to collect another bill of costs or fees as provided by the tariff contained in the general rules. I think the tariff in the general rules was provided for the purpose of fixing the fees of solicitors and attorneys, but in any case the fees of solicitors and attorneys shall not exceed the amount specified in section 67 of the Act.

Mr. JACOBS: Not even with the consent of the creditors?

Mr. GUTHRIE: No, the debtor would be the sufferer then. Section 67 is pretty definite. It provides:

> All attorneys, solicitors and counsel acting for the trustee or for the estate of a debtor in respect of proceedings under this Act, shall be paid out of the assets of such estate their reasonable costs and fees as fixed in a tariff provided by General Rules;—

We have the tariff. It goes on to say:

> but, except as hereinafter provided, the aggregate amount of such costs and fees so payable out of the assets of estates whereof the gross proceeds exceed five thousand dollars shall not exceed five per centum of such gross proceeds.

That is in estates over five thousand. Then as to smaller estates there is this provision:

> This provision shall not disentitle such attorneys, solicitors and counsel to any costs or fees which may be awarded against or be payable by persons other than the trustee or the estate of the debtor, and notwithstanding anything in this Act contained, in estates whereof the gross proceeds do not exceed five thousand dollars, the costs or fees payable may, by unanimous vote of the inspectors, be increased to any amount not to exceed ten per centum of the gross proceeds of such estate. Such tariff shall direct by whom and in what manner such costs and fees are to be collected and accounted for and to what account they shall be paid.

I think it is quite clear under that section that in estates where the amount realized is over $5,000, solicitors or attorneys shall be paid according to the tariff, but the whole of their costs shall not exceed five per centum. In smaller estates under $5,000, if the inspectors of the estate unanimously agree, then these fees may be up to ten per cent of the amount of the estate, but they are not entitled to their commission and also their bill of costs. I have been told that in some parts of Canada a practice has grown up that a solicitor gets his commission and likewise a bill of costs. All I can say is it is contrary to the spirit and letter of the law and such a custom should not be allowed to prevail.

Mr. JACOBS: Has the Secretary of State any disciplinary power over the trustee and solicitor?

Mr. GUTHRIE: He is deliberately breaking the law.

Mr. JACOBS: I invite my hon. friend's attention to page 83 of the rules of practice, the general rules, in which an elaborate system of counsel fees is published. I see that they run up from $10 in some cases to $50 in others. Then in section 88, on page 84 I find this:

> Solicitors fees on collection of account claims, collected after notice on demand and owing as a whole or in instalments, on the first $300 or less, fifteen per cent; on the excess over $300 up to $1,000, eight per cent; on over $1,000, four per cent; Minimum charge $5.

Is that also included in the five per cent which the solicitor is entitled to receive?

Mr. GUTHRIE: I understand that everything collected, no matter what the bill of costs is, must not exceed the percentage set out in scetion 67 of the Act. Now I realize that these rules do not in

all respects conform to what I consider to be the meaning of the Act, and I think the rules, in the near future, will have to be re-drafted. There are a number of inconsistencies between the rules and various sections of the Act. I think when they are re-drafted care should be taken to lay down expressly in the rules that the solicitors or attorneys shall not in any case accept more than the percentages set out in 67.

Mr. MORPHY: Before the section is settled, may I point out that nothing is said about disbursements, and I can imagine a case where the disbursements in a small estate might, for some unaccountable reason, run high.

Mr. GUTHRIE: There is a provision for the disbursements of a trustee in another section af the Act.

Mr. JACOBS: Would it not be a good idea for the Secretary of State to circularize the trustees who have been appointed, and of whom he has a list, drawing their attention to the fact that in some cases the law is being contravened, and that they must adhere strictly to the letter of the law in the future.

Mr. GUTHRIE: Yes, I think something of the kind should be done.

Title agreed to.

Bill reported, and amendments read a second time and concurred in.

On the motion of Right Hon. Mr. Meighen the House adjourned at 11.35 p.m.

Tuesday, May 10, 1921.

The House met at Three o'clock.

REPORT

Report of the Air Board for the year 1920.—Hon. Mr. Guthrie.

THE CONSERVATION ACT

On the Orders of the Day:

Hon. H. S. BELAND (Beauce): The Prime Minister is not present or I would ask him whether it is the intention of the Government to introduce a Bill this session to repeal the Conservation Act, as foreshadowed in the speech from the Throne.

Right Hon. C. J. DOHERTY (Minister of Justice): I am not quite sure, but I am strongly of the opinion that it has been introduced in the Senate.

[Mr. Guthrie.]

BANKRUPTCY ACT AMENDMENT

On motion of Hon. Hugh Guthrie (Acting Solicitor General), Bill No. 118, to amend the Bankruptcy Act, was read the third time and passed.

THE BUDGET

DEBATE CONTINUED ON THE ANNUAL STATEMENT PRESENTED BY THE MINISTER OF FINANCE

The House resumed from Monday, May 9, the debate on the motion of Sir Henry Drayton (Minister of Finance), that Mr. Speaker do now leave the Chair for the House to go into Committee of Ways and Means.

Hon. W. S. FIELDING (Shelburne and Queen's): Mr. Speaker, in one important respect the task which falls to my hon. friend the Minister of Finance (Sir Henry Drayton) in these days is one that must demand our sympathy rather than adverse criticism. At a time of severe depression, financial, industrial and commercial—a condition which, I am afraid, will have to become worse before it can be better—the hon. gentleman is called upon to devise ways and means for raising enormous sums of money, sums so large as to be almost beyond the comprehension of the average citizen, sums so large that, by comparison, the Budgets of a few years ago, large as they seemed in their day, dwindle into insignificance. In a very large degree we recognize that these demands which the hon. minister is obliged to make are the result of the war, and we must treat them accordingly. The people of Canada willingly, cheerfully, even enthusiastically, entered into the Great War; and now that the war is over, and the day of settlement is come, we must all be prepared to accept the consequences with the utmost possible equanimity. However much we may differ from my hon. friends opposite with regard to some of the methods they employ in the raising of these moneys, and in their distribution, in all that makes for meeting our obligations arising from the war, in all that may be necessary to make provision for the dependents of those who made the supreme sacrifice, in all that may be necessary to make adequate provision for the men who have come home wholly or partially disabled, in all that is necessary as arising from the war, we desire to share with hon. gentlemen opposite the responsibility and the honour of the occasion. It is when we come to questions not directly arising from the war that we are obliged to differ from those hon. gentlemen.

The situation is a very grave one financially. It calls for very serious deliberation, and for a larger measure of economy than the Government have been able to observe. With the details of the proposals which my hon. friend submitted to the House last night, I do not propose to deal at any length, although some of them I may refer to. They will require more careful consideration than any of us can give on a moment's notice. There are, however, some general principles involved in the minister's Budget to which we may properly make reference. I notice that my hon. friend has made no change in the income tax. It was not without some difficulty that the previous Government, of which my right hon. friend the Prime Minister was a member, under the leadership of the late Prime Minister (Sir Robert Borden), were induced to take up the question of the income tax. They clung to the old notion that all you had to do to raise money was to boost the tariff, and for a time they seemed to rely on that theory. However, sounder judgment prevailed in the end, and they adopted the income tax. If they had deemed it necessary even to increase the tax at the present time, I do not think any of us on this side could complain; but the tax has become a rather serious burden, nevertheless. Now, one of the virtues of the income tax is that the people know exactly what they are paying; while an alleged virtue of indirect taxation—it is not really a virtue, but rather a weakness, as a matter of fact—is that the citizen pays his money cheerfully and is not quite aware of what he is doing. And that is a fact. It is economically better to have direct taxation than indirect, and yet indirect taxation has a convenience and an advantage which often recommend it to favourable consideration. In this case the Government are raising very large sums from the income tax and we commend them for it. In the first year, or possibly two years, of the imposition of the tax there was some complaint, perhaps not without reason, of laxity in the enforcement of the law. Possibly that condition was unavoidable, as the system was a new one and the machinery was not complete. But I want to do the Government the justice to say that if there was any laxity at the beginning they are now making amends for it and are apparently putting forth great efforts to collect the income tax. I commend them for so doing, although I cannot commend the methods they are pursuing. This tax is a great burden to-day. It is a burden to people of moderate means and even to those who are in the possession of large incomes, who may not find it very easy to provide quickly large sums that are needed. I think, however, that, considering the novelty of the tax, and the indisposition generally of people to bear this direct taxation, the effort of the Government should be to apply the most convenient method of administering the law. It would be absurd for me to say that the Government have tried to find the most inconvenient method possible; that would be silly. But I think I may say that if they had been aiming to devise an inconvenient and troublesome method, they could not have succeeded in hitting upon one more difficult than that which is at present in operation. The complaint to-day with most people paying the income tax is not with the tax itself. The tax has to be paid, although it is a burden. But the penalties which my hon. friends are imposing in their efforts to get money are the cause of much vexation, and give just cause for complaint. I recognize the fact that the Minister of Finance, like any other creditor, must get his money, and he must exercise a little pressure sometimes to obtain it; but I do not think he is justified in out-shylocking Shylock by charging 60 per cent interest to the poor devil who fails to pay promptly. Yet that is what my hon. friend is doing. Shylock demanded his pound of flesh because it was so nominated in the bond. It is not nominated in the bond that my hon. friend shall charge some poor defaulter with 60 per cent interest because he happens to be a short time behind with his payment.

That is with regard to the past. With regard to the methods employed during the present year, if there is anything in the world calculated to give every Canadian a headache to-day, now that there is no whisky to be obtained, it is the making up of the return which the hon. gentleman calls for. It is exasperating; it is creating a new profession, the business of making up returns. The average man cannot make it up with satisfaction to himself, and I trust that my hon. friend, who has once or twice referred to some change which he intends to make, will make the thing a little less disagreeable than it now is. Here is a description of the system which the hon. gentleman has employed. It is not my description—it will only take a minute or two to read—it is a description given by one of the great trust com-

panies of Canada, the Royal Trust Company, which issued a book of instructions to tell income taxpayers what they should do. I am now quoting:

"The citizen must not wait till he is asked for his tax; nor may he leave the calculation of this amount to the officials. He must calculate it himself and pay it without being asked. Along with the form showing his income for 1920 he must send in (by April 30, 1921) at leat one-fourth of the actual tax which he reckons himself liable for—the rest being payable later with six per cent, interest in three two-monthly instalments.

"If he puts the figures too low he becomes immediately liable to several penalties, even if his error is unintentional. The government officials have no power to let him off. The law decrees the exact sum which he must be fined.

"For instance: If he understates his income by a trifling amount, up to one-tenth, he must pay income tax on the deficiency with ten per cent interest. If he understates his income by more than ten and less than twenty per cent, the fine is one-half the amount of income omitted—not merely half the tax. If the deficiency is twenty per cent, or more, the whole of the unreported income is taken. Thus, if he states his income as $4,500, when it is $5,650, he is fined $1,150, besides of course the unpaid tax.

"If he is late in sending in his return, twenty-five per cent, is added to his tax.

"If he pays less than a fourth of the tax as estimated by himself to begin with, or less than the proper amount in the case of later instalments, twenty-five per cent, of the deficiency (and in no case less than $5.00) is added to his tax. The same penalty is prescribed for not paying within thirty days any sum demanded in addition to the tax as estimated by himself.

"If he is asked for further information and is late in sending it, or if he fails to keep such adequate records and accounts as the Finance Minister may prescribe, he may be fined $100 a day for his default; and a false statement may be punished with a $10,000 fine and six months in jail."

Now I humbly submit, Mr. Speaker, that the income tax is burden enough to impose on the people without adding all these pains and penalties which are, I do not hesitate to say, of a very ridiculous character. I do trust that before the session is over my hon. friend will make such changes as will, at all events, enable the unhappy taxpayer to feel that the thing has been made as easy as possible.

Mr. BUREAU You might add flogging.

Mr. FIELDING: Yes provided he is under twenty-one years of age.

Now the present financial situation is such that we need to think seriously of what we are to do to meet it. I am going to read the opinion of some wise men as to what are the sound principles that should govern public bodies in meeting the difficulties of the situation. We were represented at the Brussels Conference, a meeting of very prominent economists and financial men some months ago, by three delegates, one of whom was my hon. friend the Minister of Militia (Mr. Guthrie). The Conference adopted a number of resolutions to which I may have cause to refer as I proceed. Here is one of them and the explanation given by the president:

The President: The third part of the resolution says: It is imperative that every Government should, as the first social and financial reform, take the following steps:

(a) Restrict its ordinary re-current expenditure, including the service of its debt, to such an amount as can be covered by its ordinary revenue.

(b) Rigidly reduce all expenditures on armaments in so far as such reduction is compatible with the preservation of national security.

(c) Abandon all unproductive extraordinary expenditure.

(d) Restrict even productive extraordinary expenditure to the lowest possible amount.

This resolution was carried unanimously, and approved by the Government of Canada through the Minister of Militia who, as I have said, was present. I deeply regret to say that though the Government of Canada supported that excellent proposal at Brussels they do not seem to be willing to support it at Ottawa. There does not seem to be as much zeal for sound financial principles in the climate of Ottawa as there was in the delightful climate of Brussels. Now it seems to me that if we inquire into the manner in which we are disposing of the public funds we shall have some difficulty in bringing all our appropriations within the four corners of this excellent resolution. We are asked by the ministers of the Government, from time to time, to pass what I may call "a self-denying ordinance". We are all told that we must not make unreasonable demands upon the Treasury. Each one of us, no doubt, in his community has some public work which is demanding attention—it may be a public wharf, it may be a pier, it may be a breakwater for the fishermen, it may be a public building; all these things, worthy and commendable in themselves, are pressing upon us. But when we present them to the Government we are met with the declaration that these are not urgent matters, that in these days we must have economy, and these things must wait. And it is a reasonable answer if the Government would only live up to that idea all through—then we might have no difficulty in explaining matters to our constituents. The trouble is that when temptation—say an election or something of that kind—arises, my hon. friends are not willing to be the exemplars of the excellent doctrine

which they preach; they are quite willing to yield to the temptations which arise, and to make appropriations which are not of an urgent character. Now, if we want a sample, let us take the case of the dry dock out at Esquimalt, Victoria. Victoria is a beautiful city, a lovely residential city, and a city of commerical importance too. As I think of the prairie farmer and look ahead and see the day when, as the fruit of his toil—he is not going to accumulate much just now; but when as the fruit of a life period of hard work—he acquires a competence and wants some place to rest and enjoy the evening of life pleasantly, I do not think he could do better than turn his vision out to the Pacific and sit down in the beautiful city of Victoria. It has advantages, it has charms; but what earthly reason was there which demanded that millions of money be spent on a dry dock in the presence of these advantages? I do not think it was even necessary politically. Why, my hon. friend the Minister of Agriculture (Mr. Tolmie) could be elected out there on his personal merits—a good many of us would be willing to vote for him. But the Government do not seem to have had enough confidence in themselves, or in him, or in their cause; and so at a time when they were preaching economy to us they undertook to expend millions of money for this dry dock at Victoria. There is a dry dock, too, at Prince Rupert, which is not very busy; and a dry dock is under contract at Vancouver. Now, as to why, under these circumstances, it was necessary to spend millions for a new dry dock at Esquimalt, where already there was a small dry dock, I do not think any explanation can be given to the people of Canada which will be satisfactory. Each one of us when he goes back to his constituents will be asked: "Why didn't you get this public building? —that public work?" We may say: "Oh, the Government cannot do anything for us, they have not any money." But of course we shall be met with the answer: "They had millions of public money for a dry dock out in Victoria." For my part, I think that case is a very strong illustration of the fact that the Government are not willing to follow out the excellent principles that they laid down in the case of the Brussels resolution. The principles set forth in the Brussels resolution are very sound, but I am afraid they are not going to be carried out to any very great extent.

Now come, if you will, to the question of naval and military expenditures. If anybody says that in this country we have no need of any naval or military expenditures —once in a while I hear some suggestion of the kind—I do not wish to be included among the list of people who entertain such views. A self-respecting country must have a small standing army, a nucleus that would be available when an emergency arises, and it must have, in a moderate degree, even some naval organization. But, I do humbly submit, this is not the time for these things. My hon. friend the member for Quebec South (Mr. Power), himself a gallant returned soldier, the other day reminded us of an important fact. We have 400,000 trained soldiers in Canada to-day—the best material for fighting that the world has ever produced. These men can be called upon if any emergency arises. Why we should anticipate any emergency at this time is not easy for anybody to conjecture. If there ever was a time when we had need of but little military expenditure it is to-day, and I believe the men who will be most ready to confirm that view will be the returned soldiers themselves. They have had all the war they want; they want a chance to get back to the arts of peace. And so I say that the military expenditure might well have been curtailed in the present year in larger measure than has been attempted by my hon. friends opposite.

Then, if you turn to the question of naval expenditure, the only good thing to be said in favour of the Government's policy in that respect is that it indicates repentance in sackcloth and ashes for the wrong they did the Laurier naval policy a few years ago. It has that merit, and one should not ignore it altogether. We have all reached the conclusio nnow that, whether our expenditures be large or small, whatever may be done in the way of naval policy in Canada must be done on the lines laid down in 1909 and 1910 by the Laurier Government; that is, a local navy of a modest character, constructed under advice of Imperial officers and designed to co-operate in time of war with the Imperial navy. That "tin-pot navy," as some of my hon. friends opposite described the Laurier policy of that time, they have accepted to-day, and to that extent I am willing to give them credit. But the volume of money that has been spent in that direction is largely unnecessary. The time will come when we must take larger responsibilities for our share in the defence of the Empire, and the best way we can share in that defence is by making adequate provision, as far as that may be possible, for the defence of our own shores, and in that way relieve the Mother Country of the

burden which she would otherwise have to bear. In that respect it is gratifying to know that we have reached this common ground, that whatever may be done in naval affairs is to be done on lines which will be no longer the subject of conflict between political parties in this country.

The British Government offered the Government of Canada several ships, and in a moment of weakness the Government of Canada accepted the white elephant. We did not need them at that time, we do not need them to-day; but we have them, and since we have them I suppose we must provide decently for their upkeep. But I think the country will say it was an act of unwisdom on the part of the Government to accept this white elephant that the British Government were kind enough to offer. I credit the British Government with the best intentions in the matter, but I do not think we should have accepted their offer.

The great need of the world everywhere is disarmament. The efforts of one nation to prepare both in naval and military organization for another war, and then to plead that it is in favour of disarmament, do not seem to result in any progress towards the end desired. Everybody is waiting for somebody else to take the lead. It is to be hoped that the statesmen of Europe may find some basis upon which all countries can begin to engage seriously and to a greater degree than they have yet done in effecting reasonable disarmament. We have not a very extensive organization to disarm, but I think we should be careful at all times not to plunge into naval and military expenditure which is really not likely to be needed, and which, speaking generally, is not going to be of any value.

Now, when I come to the question of the tariff it is difficult to be serious in dealing with the convolutions of the Government with respect to the work of tariff revision. There has come to be a well understood rule that the tariff of Canada should be revised about once in ten years. There was a revision in 1897, followed by another revision in 1907. Our successors in office have accepted the rule. If I am not mistaken, the late Minister of Finance, Sir Thomas White, stated in one of his Budget speeches that the time for revision was long overdue. It is well understood that the ordinary process of tariff revision had to be suspended on account of the war. The revision which might have been made in 1917 could not very well be undertaken. The Government had good reasons for delay —the war was still on. But when the war ceased, then the demand for tariff revision began, a demand begun among friends of the Government, as well as by hon. gentlemen on this side of the House. My hon. friend the member for Macdonald (Mr. Henders) in a moment of—shall I say?—indiscretion, told us of what had happened in caucus. He said he had insisted that there should be tariff revision. But they jollied him along somehow or other, and he comforted himself with the idea that it would be all right next year. In 1919 Sir Thomas White, in the course of his Budget speech, spoke of an inquiry that ought to be held. He said:

> The result of such an inquiry should be a body of information which will enable the Government to effect a general revision of the tariff, fair to all parts of the country and effectively promoting the national welfare of Canada This inquiry should proceed just as soon as conditions are sufficiently stabilized to permit it My own view is it might well be commenced about the autumn of this year.

That was in 1919. Well, Sir, the autumn came, but there was no tariff inquiry and no tariff revision. What they did was to send out a polite intimation that everybody who had anything to say on the tariff should send in a letter on the subject. I suppose that was done. At all events there was no tariff inquiry and no revision. The Government again were able to jolly along that portion of their friends who pressed for revision. When it came to 1920 my hon. friend the present Minister of Finance (Sir Henry Drayton), was not lacking in the positive assurance that we were going to have this inquiry and this revision. We brought forth a motion calling attention to the fact that the promises of the Government in that respect had not been kept. The answer was, "Oh, all right, we will have it next year." They have been going on this way for three or four years. I quoted a couple of lines on a former occasion which I might repeat with greater force to-day. In this matter of tariff revision the course of the Government has been to:

> Promise, prepare, propose, postpone
> And end by letting things alone.

I want to return to the Brussels conference. I am glad that my hon. friend the Minister of Militia and Defence (Mr. Guthrie) is present. I find that they not only gave consent to the doctrine of financial management which I have read, but they also gave consent to sound tariff principles. Here is the resolution supported by the Government of Canada through my hon. friend the Minister of Militia and Defence:

The Conference recommends that within such limits and at such time as may appear possible each country should aim at the progressive restoration of that freedom of commerce—

Will my right hon. friend the Prime Minister (Mr. Meighen) note these words?

—of that freedom of commerce which prevailed before the war, including the withdrawal of artificial restrictions on, and discriminations of price against, external trade.

Carried unanimously.

Another resolution to which the Government of Canada subscribed through their delegate to the International Financial Conference was as follows:

The International Financial Conference affirms that the improvement of the financial position largely depends on the general restoration as soon as possible of good-will between the various nations; and in particular it endorses the declaration of the Supreme Council of the 8th March last "that the States which have been created or enlarged as a result of the war should at once re-establish full and friendly co-operation and arrange for the unrestricted interchange of commodities in order that the essential unity of European economic life may not be impaired by the erection of artificial economic barriers."

Our representative helped to carry that resolution unanimously at Brussels. Then my hon. friend the Minister of Militia and Defence came home and assisted his friend the Prime Minister in a declaration that we wanted artificial barriers and did not want to have anything approaching freedom of commerce!

My right hon. friend the Prime Minister in his interesting trip out West made frequent references to the tariff. He pictured more than once the small reforms, as he described them, which had been made by the Liberal party. He was very strong on the matter of percentages; he compared one tariff with another and was quite ready to show that there was only a fraction of difference between them. Now, my right hon. friend has perhaps not given the matter sufficient attention to know that there could be a large measure of tariff reform, without any reduction of percentage at all. If you increase your taxes on luxuries and diminish your taxes on the common things of life, the net result may be a larger average rate of taxation than you had before, but you have made a tariff revision which the mass of the people can understand and appreciate. If you turn to the Liberal policy—and I wish only to briefly refer to it—of 1897 you will find that in order to value the measure of tariff reform that was then given, you need to look at it from three viewpoints. In the first place, there was the advantage that came to the people from the direct reduction of duties. It can be established positively, I believe, that if you take into account simply the difference between the duties that were paid during the period of the Liberal Administration and the duties that would have been paid had the Conservative tariff remained in force, the money that went directly into the pockets of the Canadian people on that account alone was from $85,000,000 to $100,000,000. But it must be remembered—and economists, I think, will agree—that the saving you make in a case like that is not to be measured only by the amount that you did not pay into the Customs; you have to take into account also the check that was put upon the rise of prices at home, and that for every dollar saved to the people in that direct way probably two dollars were saved in the difference between the prices prevailing and those which would otherwise have been charged by the home manufacturer. The third point is this: at that time, although very great changes were made in the tariff as respects commodities consumed by the public generally, the duties were increased upon wine, cigars, tobaccos, spirits and all things that might be deemed luxuries. If, therefore, you make a distinction between the luxuries and the common things of life you will see that the reduction made to the masses of the people was even much larger than I have indicated. Now, when my hon. friends on the other side, in an effort to defend their position, represent the Liberal party as having made no material change in the tariff, they are not doing justice to us; they are not doing justice to common truth. I could, if time permitted, give a long list of reductions that were made. I can give one case which I have in mind. I remember very well, in the campaigns in which I took part, I acquired a bag containing samples of goods taken from the shelves of a wholesale house in the Maritime Provinces. To every piece there was attached a label telling exactly what the goods cost, what the price was to the consumer, and what the duty amounted to. I remember that on articles of common cloth, such cloth as would be found in the clothing of most of the people, the farmers and workingmen of Canada, the duties were so much per cent and so much a pound; there was a mixture of specific and ad valorem duties—any sort of scheme to make the people pay more without their knowing

it—and the combined ad valorem and specific rates on these articles of clothing amounted in some cases to from 50 to 60 and 70 per cent. Well, when you cut down duties of that character to 22, 23, 24, 25 and 30 per cent, who will say that there was no tariff reform? Sir, there was a great tariff reform. My hon. friends opposite are very fond indeed of making assertions which would give the impression that our tariff reform did not amount to anything. More than one minister has been in the habit of saying: We are going to stand by the policy that we have had continuously for the last forty years—thereby implying that there was no change of policy; that the policy of the Liberal party was merely a continuation of that of the Conservative party. Sir, the facts do not warrant any assertion of that kind. When hon. gentlemen say that they are going to stand by this policy which has been followed continuously for forty years, they are saying something which is at variance with the facts of our tariff history. If it be true that we have had the same policy for all these years, what did the Conservative leader mean when, at the time of the bringing down of the Liberal tariff reform policy in 1897, he spoke about the "sorrowful wail" that went up from the country? Hon. gentlemen have heard it before, but it is really interesting enough to submit to the House again—this is what the leader of the Conservative party of that day said when the whole matter was fresh in his mind and everybody understood the facts:

> Now, what is the result? The result is that this tariff goes into operation, and the hon. gentleman knows that the industries of this country are already paralysed in consequence. While hon. members gloat, vindictively gloat, over the destruction of Canadian industries, I was reading the wail, the sorrowful wail, of those industries in the Montreal Gazette, where one manufacturer after another declared that their industries were ruined, that their mills must close, and that they saw staring them in the face a return to the deplorable state of things that existed when the hon. gentleman who last addressed the House was in charge of the fiscal policy of this country. I say that a deeper wrong was never inflicted upon Canada.

Well, Sir, if we made no material change; if we continued the old national policy, why did the venerable statesman who then led the Conservative party make such a rumpus? We have all heard the story of the superstitious thief who had invaded a butcher shop and carried away a ham. When he got out on the street a tremendous storm of thunder and lightning came on, and the thief had a superstitious feeling that the storm was a kind of penalty for his deed. So he said: "Oh Lord, I am sorry I took the ham, but isn't this a dreadful row to raise about one small piece of pork?" It is the same in this case; if there was nothing in the tariff reduction made by the Liberal party; if the changes were insignificant,—if, indeed, there was practically no change in the fiscal policy under that administration, then it seems to me that my hon. friends have been making a terrible noise for a long time with regard to the matter. However, they have now given that up and are approaching the other side of the question.

My right hon. friend the Prime Minister, speaking at Winnipeg, made an allusion to myself which I must be permitted to quote. He said:

> Mr. Fielding has time and again given his adherence to the protective principle, and never in language more unequivocal than employed in recent years.

My right hon. friend is mistaken. I never gave any adherence to the principle of protection. I have said again and again, and I say now with increased emphasis, that you cannot make a sound fiscal policy for Canada by rigid adherence to any particular theory. I accept the philosophy of that much-quoted expression: It is a condition, not a theory, which confronts us. But I say that if I had to choose between the two principles, by all means I would start from the standpoint of free trade, because I believe it can be defended far better than the principle of protection. I say without hesitation that the public man who aims to build up a tariff in this country starting from the standpoint of protection, basing it on the principle of protection, carrying it through on that principle, will never produce a tariff with which the people of Canada will be satisfied. You may win a temporary victory; it was done in 1911, but the men who brought about that victory, so far as the commercial side of it is concerned, have had sad reason to regret the blunder they made. For the condition of unrest which prevails in this country, they are largely responsible, a condition which is not likely to end in the very early future. Someone has said, and the expression is often quoted, that "nothing is settled until it is settled right." You may depend upon it that a tariff built up on the protective principle, a tariff designed to protect industries merely because they are industries and without regard to the economic conditions of the country, cannot and should not suc-

ceed. If there are any people in Canada who are contemplating the establishing of new lines of business in which they feel that tariff protection is necessary, I do them a friendly service when I say: "Don't do it," because anybody who counts upon the continuance of a protective policy is bound to find that he is pursuing a delusion. If any outside capitalist purposes coming to Canada to start some industry which he believes can only be kept alive by protection, again, I advise him not to come. I say, Sir, that the policy of indiscriminate fostering of industries in that way, without regard to economic conditions, is not a sound one.

The Prime Minister has said again and again that there must be sufficient protection to protect and keep the industries we have and to bring others to us. That sounds like a nice statement, but it is much too broad to be accepted without qualification. The general statement that you must establish industries in order that you may create business and give employment involves the adoption of a dangerous doctrine. My hon. friend the Minister of Agriculture (Mr. Tolmie) gave us some information the other day of a very interesting character with regard to the city of Victoria—and in this case it is not the dock I am referring to. My hon. friend gave us a pretty picture of the gardens of Victoria in this early spring season. Amongst other things, he said that they have been experimenting in growing tea in Victoria. See the oportunities afforded there for development under a protective system! You can give immense employment in the growing of tea out there! Think—and that is the main point; you want to keep the people busy—think of the employment you will give to carpenters in making green houses! Think of the glass industry you will build up in British Columbia! If the question were only one of giving employment, perhaps nothing could be better, in the hands of my hon. friends opposite, than that they should start to grow tea out in Victoria. Then, of course, the question is only one of degree; they need not confine the tea-growing to Victoria; they can come further East. There is plenty of vacant land in the Rocky mountains where, with a little more expenditure, you could give more employment, more work to the carpenters, more work for the glass-makers. If the question were only one of giving employment, one might say that the Minister of Agriculture (Mr. Tolmie) should be given a large subsidy to cultivate the tea-growing industry.

The true policy, however, is to cultivate chiefly those industries which are based upon the natural resources of the country. I would not have any industry which is at present established in Canada unfairly dealt with; I would not try to strike down any industry that exists to-day, even if it were not wisely established. But when we are looking to the future, for the purpose of adopting a sound policy as regards the creation of industries, let us not be carried away with this idea of creating industries in order to give employment. Let us create industries which, based upon the natural resources of the country, will give rise to healthy enterprises with a good prospect of future success. Certain conditions are required to justify the creation of an industry. What are they? First, there is abundance of raw material. Surely, we produce some things in Canada in abundance. Our protectionist friends will hardly admit that we can produce anything in competition with others. I believe myself they would want a duty on icicles to keep them out. They think that Canadian industries need to be protected by glass houses. Protection, like conscience, "makes cowards of us all." We lose faith in our country. Let us get away from that; let us find the things that we can produce, that God and nature intended us to produce; let us try to develop industries based upon those conditions, and then such industries will not need much protection.

Fuel is a great asset in the creation of an industry. You may establish an industry simply because you have an abundance of fuel. A combination of coal and iron is a great combination on which to establish an industry; that is the strong point of the industry in Cape Breton to-day. There are in Cape Breton no known large bodies of iron ore, but across by a ferry in Newfoundland they have iron ore, and Cape Breton has coal in abundance. Thus you have a combination of those two things, if not at the same point, at any rate, close together. There you have a sound basis on which industries ought to be built up, they should not need much protection to enable them to be developed. We have abundance of water-power in Canada, and that is another condition on which industries may be established. There was a time when cheap labour had something to do with the establishment of an industry. There are sections of Canada in which industries were established chiefly because

labour in those sections was deemed to be cheaper than elsewhere: but with the changes that have taken place under our modern conditions, in the nineteenth and twentieth centuries, with the rapidity of communication, railways, telegraphs, telephones and all the other modern improvements that we have, with the organizations of workingmen in the different sections of the country, there is no longer cheap labour in any part of the continent of America, at least amongst the white population; rates of labour are not materially different to-day in different parts of Canada,—the labour unions look after that point,—so that cheap labour is not a live asset. There is another condition by which an industry can be established. It is possible by the ingenuity of man, by the skill of some group of men, to establish an industry. I heard an illustration of that given some years ago by a distinguished Irishman when he was making a speech in London urging the people to cultivate home industries. "Look at Dundee;" he said, "you do not grow oranges in Dundee; you do not produce sugar in Dundee; you do not produce anything in Dundee that goes into the manufacture of marmalade. But there was a Scothman up there who produced a combination called marmalade, who gathered around him all the raw material necessary for the making of marmalade and who developed a great industry in Dundee. Although Dundee did not produce the fruit nor the sugar, the skill, the enterprise and the reputation of that man built up the industry". All these are conditions upon which industries may be built up. If we build up our industries, based upon the natural resources of our country, we have just cause for believing that with reasonable enterprise and without any high protection, those industries may flourish. That is the true policy for Canada; that is the policy that I would strongly advise to-day rather than the general statement that we must have industries regardless of the economic future.

I notice that the Minister of Finance (Sir Henry Drayton) made a very brief reference to the condition of the American tariff, though I must do him the justice to say that he treated it with more gravity than some people do. There are people throughout Canada who flippantly say that they do not care what the American tariff is. There is an Irish proverb which says: "It is aisy to bear another man's toothache." Stock raisers in Western Canada and, for that matter, further East, do not regard it as a small matter that they are likely to be shut out of the American market. That prospect is grave and serious to them. They may be comforted by the remark that the Minister of Trade and Commerce (Sir George Foster) made in Montreal the other day, when he was giving good advice, as he thought, to the women of that city. He said in effect: "As regards the American tariff, there is this to be said: if they adopt that tariff, the consumers in the United States will have to pay the bill." Speaking broadly and generally, one may say that there is a good deal in that. It is not, however, worth while entering into a debate now as to the conditions under which the consumer pays or the shipper pays; there is something to be said on both sides. But I have not found my right hon. friend telling the consumers of Canada that they pay the duty. In general he cultivates the notion that the man who ships the goods into Canada is the man who pays the duty; but when he gets into Montreal, before the women of that city, the truth comes out of him that the consumer pays the duty. There is this to be said with regard to the American tariff. For many years our American friends did not treat us fairly in tariff matters; for one reason or another they built up high tariff barriers against us, and we felt that we had just ground for complaint that they were not treating us generously. There came a time when they saw the error of their ways, when their leading men frankly said that they ought to deal more generously with their great neighbour, Canada, and they made a proposal; they met us half way, and between us, we agreed to a certain thing. The present Government of Canada has opposed that; the people of Canada, through their constituted representatives, have turned that down. Therefore, we have no longer any right to complain of what the Americans do in tariff matters. They made an approach to us; we rejected it, and no matter what tariff they may impose now, we have no right to complain. They did long ago treat us unfairly, but in this case we are in the wrong. I am going to make this suggestion to the Prime Minister (Mr. Meighen). If we are going to adhere to this view, to have a quarrel with the United States again and to build up barbed wire entanglements on both sides, I want him to say to the Minister of Trade and Commerce: "Do not go down to New York again and make a whining appeal to them not to pass the Fordney Bill. That is not a dignified position for Canada to take."

In view of the large trade that we have with the United States, in view of the fact that we are one of the best customers that the United States has, I still cherish the hope that, before this matter is all through, a ground will be found upon which we can come together, notwithstanding the differences that may have arisen in the past, and that instead of building up barbed wire entanglements on both sides, some such arrangement, call it by what name you will, as that which characterised the reciprocity agreement of 1911, may be entered into.

I have made some reference to what my right hon. friend the Prime Minister has said in the West. I want, before I conclude, to make a passing reference to something my right hon. friend said in the East. Speaking at Sherbrooke, a manufacturing town, after presenting his own views on public affairs generally, he used these words: "We have therefore a clear-cut issue: Do we want free trade in this country, or do we not?" I am sorry to have to say that I regard that as a statement which does not do credit to my right hon. friend. In the strife of political parties there is always a temptation perhaps to build up your own case by misrepresenting what your opponent says and does. It is a small political game, which small politicians easily fall into, but we have a right to expect something better from the right hon. the Prime Minister of Canada. When my right hon. friend told the people that the issue now before the country is, shall we or shall we not have free trade? —my right hon. friend must have known that he was making a statement that lacked the essential element of truth. There is no issue of free trade in Canada to-day. The Liberal party of Canada has not proposed free trade, did not propose free trade when it was in office, does not propose free trade to-day. The Farmers' party, though they go further than we do, have not proposed free trade. Who is it then that talks of free trade? Only my right hon. friend and his friends. They talk of free trade. Why? Simply to conjure up a bogey with which they may scare the manufacturers of the country. I again say that the Liberals have not proposed free trade; the Farmers do not propose free trade; only my right hon. friend and his friends talk of free trade, and they use it simply as a bogey to scare the manufacturers of the country. It has not even the merit of novelty. It is a very old yarn indeed. It is the old story of 1896 over again. I really think that my right hon. friend, whose ability we all know, might have done something better than to revive that old game of 1896. In 1896, on every hustings in this country, they told the people that if the Liberals came into power there would be free trade and the industries of the country would be ruined. Everything that can be said to-day on these lines was said in 1896. Fortunately, the people of Canada knew better than to trust these representations, just as the people of Canada will know better to-day than to trust representations of that character when made, unworthily made, by the right hon. the leader of the Government of to-day. The Liberals won in 1896 and they came into power. Did they destroy the industries of the country? Did the prediction of the great Conservative leader, and the "sorrowful wail" about the industries of this country, come true? The fifteen years of the Liberal Government, so far as their tariff policy was concerned, were fifteen years of progress, peace, and prosperity. It was the golden era of Canada's prosperity. And just as we said then to the people that they could trust the Liberal party, if they came into power, to be fair and just while following sound principles, so we say to the people of Canada and the manufacturers of Canada to-day: Do not be misled by the statement made by my right hon. friend about free trade, because it is merely, as I said, a repetition of the old game of 1896; and as it failed in 1896, so it will fail in 1921 or 1922 whenever the election arrives.

Mr. Speaker, I beg to move, seconded by Mr. King:

That all the words after the word "that" to the end of the question, be omitted, and the following inserted instead thereof:

The House regrets that, after repeated assurances by the Government of an intention to have a revision of the Customs tariff, and after a protracted inquiry extending from ocean to ocean by a committee of cabinet ministers, the Government have made no proposals for any reduction of the tariff;

That, while recognizing that existing financial requirements of the Dominion demand the maintenance of a Customs tariff, the House is unable to concur in the declarations by the Government that the tariff should be based on the principle of protection; the tariff is a tax, and the aim of legislation should be to make taxation as light as circumstances will permit;

That the aim of the fiscal policy of Canada should be the encouragement of industries based on the natural resources of the country, the development of which may reasonably be expected to create healthy enterprises, giving promise of enduring success;

That such changes should be made in the Customs duties as may be expected to reduce the

cost of living, and to reduce also the cost of implements of production required for the efficient development of the natural resources of the Dominion;

That, while keeping this aim clearly in mind, the House recognizes that in any readjustment of the tariff that may take place, regard must be had to existing conditions of trade, and changes made in such a manner as will cause the least possible disturbance of business.

Some hon. MEMBERS: Oh, oh.

Mr. FIELDING: If I would make any comment on that it is that it should have the same result as the policy of 1896 upon the industries of the country:

That the House, while recognizing that the obligations arising from the war must be met, and declaring its readiness to make all necessary provision for that purpose, regrets that the financial proposals of the Government are not made with due regard to the economy that is so urgently needed, and expresses the opinion that, before resorting to new taxation, the Government should make a substantial reduction in the proposed expenditure.

Right Hon. Sir GEORGE FOSTER (Minister of Trade and Commerce): Mr. Speaker, all I propose this afternoon to do is, in a very short time, to make some comments upon the observations which have been made by the hon. gentleman (Mr. Fielding) who has just preceded me. He showed the kindlier part of his nature, which we all appreciate, in sympathizing both from experiences which he himself has had and from his natural kindliness with the hon. Minister of Finance in the task set before him, who proposes to-day under the existing conditions to bring in and carry through the House of Commons a Budget, which shall deal with the methods of raising revenue, with the proper expenditures that may be undertaken, and with tariff matters. My hon. friend the Minister of Finance (Sir Henry Drayton), will allow me to join my sympathies with those of the ex-Minister of Finance (Mr. Fielding), on the task which he commenced and carried through with such credit to himself, and, I think, with such appreciation on both sides of the House, as was evident from the way in which his financial statement was received. My hon. friend (Mr. Fielding) in speaking, also took his just share, which any Opposition ought to take, of responsibility, for after all, though we may have parties, we all have a common country, and the obligations thereof must be shouldered by the House as a whole, representing the country at large; and his statement that all proper obligations of the country, which have been incurred by reason of the war which has taken place during the past five or six years, were common obligations and must be met in a common spirit of accord and co-operation. This is an eminently just position to take, and one with which, I think, both sides of the House will fully agree.

When my hon. friend comes to deal with the raising of the revenue he practically confines himself to one branch alone, that is, the income tax. I listened for any adverse criticisms of the income tax, either as to its principle, or as to the rate of taxation by which the revenue through income was to be raised. The hon. gentleman had no criticism either for the income tax itself, or for the rates which were levied upon a graduated scale; the only criticism he offered was as to the methods by which the tax was collected and as to the penalties which were imposed for avoidance in any way of its condition. Well, that eliminates any difference between my hon. friend and myself, between gentlemen on the other side of the House, and gentlemen on this side, as regards that particular portion of the Budget which aims at gathering revenue through the income tax. It may be said, in passing, that no person need incur the penalties of the income tax administration. All that is required is that one shall turn in his statement at the stated time, shall turn in a proper statement, and shall make his calculations in an honest manner. No man will be penalized who fulfils these three conditions. But my hon. friend gave it all away when he said that every law must have its penalties, and that unless you imposed penalties it would be impossible to enforce the law.

In one respect I sympathize with my hon. friend, and I think I shall have to join hands with him if, within the course of the next year or two, the Finance Minister does not devise some simpler methods to aid our dull intellects in what was, to myself, at any rate, a very great effort to figure out just exactly the return that I should put before the minister, and what amount of money I had to accompany that statement with in order to avoid any penalty. Whether or not I succeeded in the first, I am not certain up to this day. I did succeed, I think, in the second, because I sent in about three-fourths of everything that could be taxed against me as my initial payment, and I hope to avoid any penalty in regard to the remaining fourth. But if, by the exercise of any methods that may occur to him, it is possible for him to make it easier for us, after this, to make our calculations, I should advise him to do so,

and make a name for himself, softer and sweeter and more pleasing than that which now attaches to him when we set ourselves with our pencils to calculate our income tax.

My hon. friend (Mr. Fielding), then fled over to the Brussels Conference, and read to us one of the very good resolutions which were passed there. I understand the purport of the resolution which he read. In brief, it divides itself into four parts. In the first place, it urges that it would be the part of wisdom for all nations of the world to restrict current expenditure to ordinary revenue. I think that the Minister of Finance last year and this year, as did the Government which he represents, paid reasonable attention to that sound dictum, and he had an opportunity of stating to the House last night that what was necessary for last year's expenditures has been raised out of taxation and has not been placed to the debit of our national account. I think, furthermore, that the statement he has made this year shows that we are proceeding along the same lines; and with truth it may be said that in that respect we have lived up absolutely to the first part of the resolution of the Brussels Conference. The second part of the resolution advocated a reduction of armaments and munitions to what was reasonably necessary in order that a country's position should be secured in this insecure and uncertain world. Now, a great deal is said with reference to the failure of the nations to reduce armaments. Some armaments have been reduced almost to extinction by the fortunes of war. But, though war has ceased, in so far as the actual conduct of the great principal struggle is concerned, yet it is true that there is no peace in Europe, and European peace would not have been in the past year advantaged, nor, in the present and coming year, made more secure or more certain if all the nations engaged in the Great War on the allied side had suddenly abandoned their arms, disbanded their armies, and reduced their navies to the zero point. Until European peace is established; until you know more of what is going to happen on the part of Russia; until you know more of the probable events that will occur amongst the central nations of Europe; until you know more of what is going to take place on the Mediterranean sea, and in the Far East;—until you know more about all these things, and until there is a more settled state of world conditions, than you have to-day, the cause of peace itself would only be injured by the entire destruction of armaments either by land or by sea, or by both. It is necessary, until that process is concluded—and it will take some time in my opinion, before that is realized —that armies and navies shall be maintained.

That sentiment was very well expressed, and thoroughly canvassed at the first assembly of the League of Nations. Nine-tenths—yes I might say ten-tenths—of the powers represented there were absolutely in favour of the restriction, reduction, diminution of armaments both by land and by sea. Why should they not be? The vast burden that rests upon these peoples is the burden which has been built up because of armaments necessary in the war, and made and carried on both before and after the war. Every one of those nations, even the most prosperous of them, is at the end of its expedients in finding sufficient revenues to bear the burdens of the present day, and to make fair and reasonable provision for the improvements, social and otherwise, which are demanded in these times when legislation is applied to a thousand different objects, and which tends in a thousand different directions from what it did twenty-five or thirty years ago. So that in heart, as well as in mind, it must be the wish, the hope, the overwhelming desire, in every one of these countries that the period of the limitation, and diminution to a minimum, of armaments, both naval and land, must be held in view. But, on the other hand, it is a fact, self-patent as no other fact in the situation to-day, that it would be suicidal to do that absolutely at once and now. And so in the assembly of the League of Nations—with all the strong sentiment in favour of the diminution of armaments by land and by sea, and the consequent getting rid of the burdens necessary in order to support these—the reasonable ground was held and the reasonable conclusion come to that, in so far as it is possible and as quickly as possible, these pressing armaments should be reduced; and it was made a condition of every new arrival into the League of Nations that its armaments, by land or by sea, should not be increased—they had to take that as a condition of their admittance into the league. So that, I think, Canada, as far as that is concerned, has followed a reasonable course. As far as our army is concerned—if you call it that, or our militia —it is a fact that we have those who have come back from the war; but there is also the fact that my hon. friend stated—I was glad to hear that statement, I want it

emphasized, I want it kept in mind—that, so far as he was concerned, Canada in the future must take her fair share in the defence of this country and in the defence of the Empire. No fair-minded man will oppose a statement of that kind. Under present financial conditions, and until the world comes to a fair conclusion as to what it is going to do in the future about armaments in general, it is the part of Canada to proceed as carefully as possible. It is also the part of Canada to preserve her organism both by land and by water, the organism of her army and the organism of her navy. If for one, two, three, four and five years, there were to take place entire disbandment, for instance, and the spirit of the people were not to be called upon at all for any military force or any naval force, when the time came to take that reasonable position stated by my hon. friend Canada would be at a great disadvantage. It is therefore her part to carry on in the meantime, with reasonable respect to the financial situation, but to keep up her organization, and to keep up the spirit of her people as well,—which is just as important as a mechaical organization. Have we gone beyond that? On the whole we have not. We are spending to-day on our navy two and a half million dollars. If I remember rightly, that is less than we spent before the war period came on, anyway it is not more; and there is this additional point—that the effectiveness is a great many per cent greater now than it was before the war, and we are keeping up on a less personnel what is an effective organization, seaworthy and seagoing, and doing it on less money than the organization cost before the war. Now it seems to me that it is reasonable for Canada to say "Yes, along these lines we will keep our organization. We will keep up the spirit of our people—which is necessary in every people that is going to be self-dependent, self-respecting,—and when the skies grow brighter and when financial circumstances become more favourable, then we will take our part and our share, with all the other British peoples, in defending our own country and the Empire of which our own country forms a part."

Then, a third branch of the Brussels Conference resolution was that each country should abandon extraordinary expenditures that were not remunerative—that is that were not absolutely necessary. We are doing that. The whole Budget as brought down last year and this year is

testimony to that effect. But I should have liked to introduce my hon. friend from Shelburne and Queen's—who was finance Minister in the golden era of which he speaks, in an era when peace and quietude and comparative comfort in administration was the rule—to the last eight years of financial management in the Dominion of Canada as a Cabinet minister, and, if I could, to have instilled into him the groanings in spirit that took place, acquaint him with the burdens which rested upon our shoulders and with the obligations which were—day by day and night by night—constantly coming in increased volume upon us, which we could escape by no will or wish of our own, or effort of our own, if we were to stand to our guns and carry out the wishes and desires of the people of Canada in that long war which has taken place. During all that time what was the situation? Great burdens of administration and the difficulties of finding ways and means; utter powerlessness to keep down expenditures in war time when the demand came by telegram and letter, day and night, every hour: "More munitions, more men, more clothing; we cannot wait for you to get easy bids; we want these things now; get them no matter what it costs!" That is the spirit that dominates in war time. Great Britain could not wait to make small contracts on more reasonable bases when her soldiers were exposed to the enemy, and munitions, clothing and provisions were necessary every hour of the day. These things had to be got no matter what they cost. Any reasonable man knows that under pressure of that kind, in times of that kind, expenditures will grow in spite of efforts to keep them down, and extravagances, compared with peace times, will be absolutely the rule and not the exception.

Well, Sir, in those years our debt has increased from $300,000,000 up to $2,500,000,000. These obligations have massed themselves upon us. The man is foolish—and I do not think there are many such in this House—who would assert that the moment war stopped these obligations ended. These obligations were in the shape of promissory notes to pay, signed by the country, and they had to be met—and they are being met now. The war was one thing, demobilization was another, and in one way it is as expensive as the war itself. The war lasted four years; demobilization has already been in progress for two years and is not yet com-

pleted. But there is the trail of consequences of the war. Demobilization did not end when you got your able-bodied soldiers back here, nor did it end when you got your disabled and shell-shocked soldiers back here in hospitals and gave them pensions that will go on for a generation. These obligations mount higher and higher to their peak, and their peak was not reached until the armistice; they must be met and the wherewithal must be found to meet them. It is easy to talk of what you did in peace time when the revenue was overflowing, and to vaunt yourselves more than is meet on the golden era that you happened to float through upon clouds as soft as down; but we are not in a golden era now, nor have we been for the past six years. We have been in a war era where the blood and flames of war have been the accompaniments rather than the balmy breezes of peace time, and as reasonable men we must take that into account, and we do always, except when we want to make a point against the other fellow—then we go back to the "golden era" business.

What I have said comes even with the fourth clause of the Brussels resolution—that you should restrict even praiseworthy expenditures, what indeed might be called in peace time necessary expenditures. We are doing that. There is one constant battle going on, and it is to try to overcome the demand for expenditures which arise not merely from the desire of a member to do service to his constituency, but which go further back to a desire to serve the public interests. The member of Parliament presses for that expenditure because it is pressed upon him, not by his constituents merely but by the situation itself. And those expenditures mount up into a tremendous volume when they come from all parts of this Dominion. I could easily point out to this House a dozen, fifty, a hundred, ways in which millions of money could be spent to the economic advantage of the country, if we could undertake it; but it is impossible. And this Government—and the House is behind it—is trying to keep expenditures down to what is absolutely necessary. My hon. friend picks out one sample of a dry dock which is to be built in or near the charming city of Victoria. He pictured that city in such bright colours that he almost condoned the building of any old thing you might think of in a city so beautiful.

Mr. McMASTER: It is not in need of that dry dock.

Sir GEORGE FOSTER: My hon. friend has a great admiration for my colleague from Victoria (Mr. Tolmie) and I am going to turn him over to my colleague to give him his answer in reference to this dry dock. And he can tie up to that dock when the time comes.

My hon. friend (Mr. Fielding) then attacked the lack of tariff revision. He was not on very safe ground, and I am not quite sure that before he undertook that line of attack he exercised his memory as much as he might have done with profit to himself. But we are all subject to lapses of memory sometimes. I have a little document before me which I shall not read, but it is almost a complete duplicate of the statement that he has made in criticism of my hon. friend the Minister of Finance (Sir Henry Drayton), and to put the two side by side and trot them out would be an amusing example of how to distinguish between twins. What do I find? That year after year my hon. friend when Finance Minister, or a spokesman for him if he himself was not in a position to attend to it at the time, made his excuse before the House each year from 1903 clear up to 1907—for four years my hon. friend in his time was excusing himself from bringing on a tariff which he had promised to bring on the year before. The year 1904 sees him bringing in an excuse for not doing what he promised to do in 1903; 1905 sees him sturdily making the same excuse for failure to do what he had promised to do in 1904; 1906 sees a repetition of the same excuse; and it was not until 1907 that the promise came to fruition. If my hon. friend would just reverse the names he has made an almost perfect description of what was done during the four years of his own administration. But, after all, there was a good deal of common sense abroad at that time, and although he had to make his promises and follow them up by excuses for those four years, I do not think that he came up against any very great opposition in the country or in the House; that is, the people are apt to take a reasonable view of these things, and I think they will take a reasonable view at the present time.

In my opinion the Minister of Finance gave pretty good reasons why it was not either advisable or reasonably possible to undertake a thorough and complete revision of the tariff this year. If we make a survey of the position, I think we can all easily come to that conclusion. It is safe to say that it is not only a perilous, but

it is an unwise thing, to attempt to make a revision of the tariff which brings our own country into comparison with every other country, at a time of trade confusion when no man can predict what will be the commercial and financial conditions six months hence.

I read not long ago an article written by one of the most celebrated publicists in the United States in which he stated, upon returning from Europe and having made a thorough study of the condition of the nations of the world, that he knew of no financial authority who could make a forecast of the financial and economic conditions of the world four months from this time; that it could not be done. The exchange situation, for instance, grows worse every day, and its improvement depends entirely upon the working out of a series of factors having relation to Central Europe in particular and to the world in general. No man is wise enough to forecast what that result will be. In six months' time you may have comparative peace amongst the nations of Europe, or you may have conditions still worse than those which prevail to-day. The exchange condition, then, is in a confused and indefinite state and no one can tell what it will be in the days to come—and upon the exchange conditions, much depends in the fixation of your tariff.

Then, take the condition of credits. It was thought at one time that after the war the shelves of the countries of Europe would be bare of supplies and that, therefore, export trade from other countries would find markets there. It is true that the shelves of Europe are bare of supplies, but there is alongside of that the other circumstance that the treasury, the banks, the pockets, the resources, of European countries are not in such a state that the goods which those countries require to fill their empty shelves can be paid for. Trade depends upon credit, and particularly is this true of trade at the present time with the European countries which were engaged in the war. Countries which hope to do very much export business with European nations must be ready to extend credit to them. Now, are the export countries in the position to make advances? Ask Canada if she is in a position to make further advances to European countries to enable them to buy her products. The answer from Canada would be a negative one. Ask Great Britain if she is in a position to do it—with all her burdens; with all her heavy debts; with all her accumulations of interest and her calls for payment to foreign countries; with all the large amounts she has lent to the Allies, upon which she has received not a single cent of interest, and upon which she is not likely to receive any interest for many years to come, to say nothing of principal. Ask France if she is able to make credit advances for exports for the goods that she may be able to manufacture. The same applies to all countries. The United States, rich as they are, forehanded as they are, are not prepared as a government to make advances. Their bankers and financial men are trying to arrange resources for the financing of trade and exports, but matters proceed very slowly and nothing of a definite nature has yet been arrived at. So that in this condition also you have another consideration which makes it impossible to forecast the future.

In our neighbouring republic of the United States an emergency tariff Bill covering a period of six months has been agreed to and will be put through. But everybody knows that in the United States everything points to the introduction of a permanent tariff measure as soon as that can possibly be done. Whether that measure will be introduced into Congress within six months or within twelve months—and if, introduced, whether it will be passed—I do not suppose any one can definitely say. But that permanent tariff, differing from the emergency tariff of six months which is now being put through, will be a thing which will influence, a measure which will have to be taken into account by Canada when she makes her permanent revision of the tariff. It is not only unwise, therefore, but practically impossible to make any revision of the tariff which will be of permanence or of advantage until we know just what the United States proposes to do and until we have a little more knowledge of what the great trading countries of the world propose to do with reference to their tariffs. Not until then; not until we know more about the financial and economic conditions of the world than we do to-day shall we be justified in sitting down and making up a permanent tariff which will avoid the pitfalls to be guarded against and confer the benefits to be expected when tariffs are made. Therefore I do not think that those who think coolly over this question will call the Government in fault because they do not now set to work to make a permanent and general revision of the tariff. Anyway, so

far as we are concerned, we are quite willing to leave that to the common sense of the House and the common sense of the country, which is represented, I believe, by the common sense of this Parliament.

My hon. friend went on to convey to the House another resolution of the Brussels Conference which had to do with trade and commerce. Now, my hon. friend was very strong in condemning the misrepresentation which, he says, has unfortunately been made by members on this side of the policy and the results of the policy of hon. gentlemen opposite. I am afraid he rather fell into the same error himself if he meant to translate the Brussels Conference resolution as he read it into a resolution which could be cited in the case of Canada or any other country making its tariff, and, in doing so, having relation to the tariffs of, and conditions prevailing in other countries. He led us to believe—at least this is the impression which his remarks made upon me—that that resolution had to deal with the ordinary business of making tariffs, and that when it spoke of unrestricted interchange and unrestricted commerce, it meant an interchange and a commerce such as we debated years ago when we were talking about unrestricted reciprocity, unrestricted trade. Such was not the meaning of the Brussels resolution at all. The Brussels resolution dealt with conditions in Europe. His remarks would lead one to believe that the condition which was being treated by that resolution of the Brussels conference was the ordinary interchanges, means of communications, that existed in peace time between the nations of Europe, each one of which had a tariff and most of them, a protective tariff. That is not a fair exposition of the case. In peace time, each country, each with its tariff and regulations, had methods of conveyance, transport, interchange of its commodities with the commodities of other countries which also had their tariffs, their national regulations. But as a result of war time, those regulations had been abolished, and, consequently, the communications and methods of distribution which held during peace time in Europe before the war, no longer held because some of the young nations put up an absolute barrier, and they would not allow goods from another country to come in at all; they prohibited them. Others passed regulations of one kind or another to prevent interchange of goods on any basis whatsoever. It was those mutilated and abnormal conditions of restriction that this Brussels conference was launching its resolution against, for the purpose of doing away with those and coming back to the amity of intercourse and interchange which had existed before the war. It was to that end and for that purpose that the Brussels resolution was given to the world. So my hon. friend, if he wanted to make an argument for unrestricted commerce and interchange of commodities between us and other countries on the basis of that resolution, was fighting on a basis which was not meant for that kind of interchange at all.

I do not know that it is necessary for me to make any further remarks with reference to the tariff of my hon. friends who were in power during the time that the hon. member for Shelburne and Queen's (Mr. Fielding) was Minister of Finance, but I may be allowed to say this with reference to it. He said that we misrepresented them. If we did, in 1896, misrepresent the Liberal party, we did it because the Liberal party, during its long campaign which it carried on before it got into power, misrepresented itself. The hon. member for Brome (Mr. McMaster) looks wise; he points his dexter finger at me—

Mr. McMASTER: I was not pointing my finger at my right hon. friend.

Sir GEORGE FOSTER:—to be cautious, but I must still stick to my text. Do I not know what took place in 1896? There are not in this House nor in this country many men who know better than I know the assertions that I had to meet. Do I not know that it was a bone-and-sinew constituent of the Liberal declarations from 1888 to 1896: "Put us into power and we will eliminate every vestige of protection." The subaltern in politics repeated that as his creed, believed it more or less tenaciously. The prime factor and exponent, the Liberal Prime Minister himself, never made a speech in which he did not incorporate that as the groundwork of their policy. Protection was slavery! Protection was robbery! Protection was everything that was bad!

Mr. McMASTER: Hear, hear.

Sir GEORGE FOSTER: They are adepts at politics. My hon. friend (Mr. McMaster), if he had any political existence during those years, shouted the same with his party, just the same as he shouts with his party now. Once in a while, to appease his conscience, he will raise his voice in tones which jar against those of the occupants of the front seats; but when the important time comes, he always shouts

and votes with the rest. So, seventeen years, eighteen years of this misrepresentation of the party by itself, as to its fundamental in tariff legislation, wrought upon us upon the opposite side of politics; we believed them, and we represented them as they represented themselves. We were sometimes perturbed in heart because, here and there, as we passed through the country, some manufacturer would come to us and say: "Do you not think you are wrong? One of the satellites of this party was in my office only this morning and he said to me: 'Close your ears to the propaganda on the platform; trust us; when we come into power—that is what we are after—we will not injure you by a single hair'." When that came to our ears, for a moment, we were unbelieving; but the next morning the trumpet note sounded out: "Put us into power; we are the enemies of protection; we will eliminate every vestige of it from this country." Then we went on representing them as they represented themselves. Whose fault is it if we were confiding and trustful, and took them at their word and refused to listen to the whisperings, in the alleys and byways, of the satelites who were trying to instill into the ears of the manufactures that they would not be injured if the Liberal party got into power? This was the darkey's platform which was made to get in on and not to stand on. So my hon. friends came into power. What about their statement that after they came into power they did not disturb the industries of this country one whit? There was no such disturbance for the reason that they did not carry out their expressed programme and their professed platform one whit. At the end of their term of office, when the golden era had trailed out to its finish, they left on the statute book of this country a tariff which was as high, if not higher, than the tariff which they found when they went in. We came into power, and to-day, at the latter part of the war era, we have on the statute book, a tariff, which, as regards the average of dutiable goods, is several per cent less than it was when my hon. friends left it; a tariff on dutiable and non-dutiable goods which is less than their tariff on both; a tariff on agricultural implements—about which they talk so much—very materially lower than the tariff which they left when they went out of office. Now my hon. friend says: Put us into power, and we will do just the same as we did before. That is exactly where we take issue with them. Having got into power by misrepresenting yourselves, we hold that it is best not to let you into power again by any similar misrepresentation or any evasion of a plain definite declaration.

My hon. friend outlined a kind of policy that he would put into effect when he came into power. He does not know what policy he would put into effect if he comes into power in two or three years, any more than I do. He will put into effect what his party behind him will support him in putting into effect, and that is where they are in a tremendous mix-up. Here is an hon. gentleman in my eye who is a protectionist down to his heels. Here is another gentleman who is either at present a member of the Farmers' party, or is being wooed with honeyed speeches and with languishing glances to become a member of the Liberal party, who believes that if they get into power they will simply treat the good old path of "free trade as they have it in England," and come ultimately to a free trade absolutism in this country of ours. How are they going to get together? Is there any Whip powerful enough to drive that side of the House into a union which will agree upon a tariff which will be laid upon any basis that my hon. friends can make a confession at the present time? It is all in the lap of the gods; it is all in the future, and we cannot see very well what it will be.

I do not know that I have anything more to say particularly. I take a little exception to the general principle my hon. friend laid down. He says that he would not be in favour of any policy which was founded upon protection, and he seems to think that a policy is not founded on protection when it proceeds on the assumption that you apply it to a certain industry which cannot live without it in this country, and apply it for a certain number of years until it gets able to live without it; he seems to think that in that case it is not a protectionist principle. My hon. friend made his confession full and free last year as to what he did down in beloved Nova Scotia, in the coal district, with regard to the iron industry. He saw there an industry which was not natural to this country, but which if subsidized for a sufficient length of time, might be built up, and in being built up would build up cities and towns and the surrounding countryside. He applied it, and it was successful; and it did build up an industry, and did build up the towns and the countryside. But that is not protection, according to my hon. friend. I think that that is

protection. Nobody is such a dolt as to say: I am in favour of protection and I will apply it to everything, natural or unnatural, reasonable or unreasonable. The Prime Minister does not say that; we ourselves do not say that. That is purely a figment of the imagination of hon. gentlemen opposite. But we do say this: that in our country looked at from its own internal situation, and from its contiguity and its interchanges with the other nations of the world, some of the industries of this country do need protection, and so far as they do need protection to keep them on an even keel, we believe that the protective principle should be applied to them. My hon. friend would cut out every industry not founded on the natural resources of this country. I go into other countries, many of them—I go into Great Britain itself—and I find that some of its most flourishing industries, some of the greatest employment-givers that are to be found in Great Britain, are in the great cotton and the great woollen manufacturing districts of that country, and they do not raise an ounce of cotton in Great Britain, and not very much wool. Does my hon. friend take the position that when he comes into power he will rout out every industry in this country—the men to whom it pays wages, and the families it thereby supports—because its raw material is not raised in this country? I think it is a most excellent thing to do to get our raw materials from wherever you can get them economically, and bring them to our own country and manufacture them into the finished product, thereby employing our own men, giving support to their families, and building up our towns and cities and the country generally. That is good business. I would be sorry to see our woollen industries cut off. I would be sorry to see cut off our cotton industries, our sugar industries and all the other industries that depend for their raw materials upon other parts of the world. It is all a question of economical advantage applied in its widest sense, and we have to take into consideration when we are making up our minds with respect to this, more than simply the duty or tax.

I am a very moderate protectionist myself. I do not believe in protecting any industry beyond what is absolutely necessary to give it standing and competing power having regard to conditions in other countries of the world with which we compete.

My hon. friend presumes to speak for the U. F. O., for the Progressive party. The Progressive party will be heard from itself by-and-by, and it will say what it means. But that breach between your down-East protectionist Liberal, and the Farmers' organization in the far plains of the West, seems pretty difficult to heal. I have in my eye the wise countenance of my hon. friend from Cape Breton North and Victoria (Mr. McKenzie). I would like to see him and the leader of the Progressive party deploy and conduct their debate and lead up to a conclusion where the two could join as a happy family on a tariff policy for this country.

Mr. McKENZIE: The hon. member will live to see it.

Sir GEORGE FOSTER: I have passed a considerable number of years in this world and, I do not say that I had hoped, but I rather had a premonition that my years were not so many in front of me as they are behind me, but if I am to fulfil the prophecy of my hon. friend from Cape Breton North and Victoria, I am quite sure that I shall live one hundred and fifty years longer.

My hon. friend from Shelburne and Queen's (Mr. Fielding) was facetious over the tea industry; he amused the whole House, but it was such an extreme proposition upon which to found an argument, either for or against a policy, that I do not think it is necessary for me to follow that any further. Protection is not simply for the purpose of giving employment. Protection will run very wide indeed if its basic principle was that you must protect wherever you can get a band of men together, pay them wages, and keep them employed. Surely that is an extreme statement of protection. But protection, on the other hand, does have its interest in employment, and it does stand upon this basis, that the men of Canada have a right to employment in their own country so far as the economic conditions of the country make it possible, and so far as a policy of justice and of reasonableness can ensure that employment. There is a great difference between that and and the other. So far as I can see, my hon. friend would have no industries in this country which were not based upon native raw materials, native fuels, native water-power, and cheap labour, which he says now no longer exists. I should be very sorry to reduce to those limits any policy which I desired to follow.

One word more in conclusion, and that is by way of reply with reference to myself. My hon. friend said that when I got before the women's meeting in Montreal I had to be truthful. Well, that is a great compliment both to me and to the ladies. It shows that I have some quality which can be called upon, and it also shows that the ladies have an attribute that evokes the best that is in a man. Both these facts I endorse. However, what I said to the ladies in Montreal, if I may be allowed to advert to the matter, was this: That if there were in the United States of America demands that could not be supplied in that country itself, for any of the articles upon which they put a duty, my view was that those articles would probably be imported into the United States and that the United States consumer would pay the duty, or at least most of it; I thought that probably he would pay all; and that is where I thought I saw a little lifting in the cloud with reference to this emergency legislation. If, for instance, hard wheat is necessary in the United States of America for their milling operations and they have not sufficient of it in their own country and must, of necessity, have it to make their proper grades of flour, they will get it wherever they possibly can, no matter what they have to pay for it, and consequently the duty placed upon it by the United States Government in its tariff would not prevent much of that product from going into the United States. It would have a different effect according to the necessity for the product in the country which was importing it. That was the view I expressed, and I stand by it.

My hon. friend, I observe, also gave me a little dig in regard to my New York speech. He brought it up again to-day, and said he was sorry I went "whining to New York," asking them not to put a heavy tariff on Canadian products. Now, I did not whine before that audience in New York. Upon my word and honour, if my hon. friend will take my word for it, I did not whine in the least degree. In a conversation which I had, however,—a very confidential and intimate conversation with a certain audience in New York—

Mr. McMASTER: But published in the newspapers.

Sir GEORGE FOSTER:—I did bring to their notice this fact, that if a country wanted to retain the trade of another country it could not do so by having all the trade on one side, and that if it wanted us to buy, it ought to be somewhat careful and should take thought before it barred us out from getting products into that country with which to pay for the goods we bought. That was my sentiment, and I may say to my hon. friend, to relieve his anxieties, that it was very well received indeed.

Mr. MURPHY: The hon. gentleman made some converts. I read the speech.

Sir GEORGE FOSTER: Yes, and my hon. friend, I am sure, believes every word I said.

Mr. MURPHY: I do not need conversion.

Mr. ANDREW R. McMASTER (Brome): It is always delightful to listen to the remarks of the Minister of Trade and Commerce (Sir George Foster). I do not know whether there is a word in the English language that quite conveys the idea as to the nature of his speech in general, but I think there is a word in the Scottish tongue which aptly describes it: it is a delicious sort of daffing, and I must say that if the right hon. gentleman lives as long as he hopes to live in order to see the rapprochement—I, like himself, have sometimes to find a French word to express my meaning—between the hon. member for Cape Breton North and Victoria (Mr. McKenzie) and the hon. member for Red Deer (Mr. Clark) or the member for Marquette (Mr. Crerar)—if he reaches the mature span of 150 years, which we all trust he may, we may feel certain that his speeches will be syndicated and distributed among Life, Punch, Judge and Le Rire. I shall endeavour to pick out carefully and quietly the gems of thought which lie embedded in the setting of humour with which the hon. gentleman has surrounded his remarks.

Now, as regards the income tax, if I remember correctly, the members on this side of the House during the war pressed the Government of the day to introduce this form of taxation long before they took their courage in both hands and applied it; and therefore there is little or no credit to be taken by those gentlemen which does not in large measure belong to the members on this side of the House, or at least to the party which we represent. Let me make one suggestion in reference to the income tax, a suggestion which I submit for the consideration of the Minister of Finance (Sir Henry Drayton). It is not quite fair that the rate of income tax should be as heavy upon earned incomes as it is upon revenue resulting from investments. A heavier rate should be imposed upon revenue from investments than is imposed

upon professional earnings or upon the salaries of men and women, because in one case you are taxing a person on the proceeds of his superfluity, while, in the other, you tax him upon his own efforts. Of course, my genial friend, the Minister of Trade and Commerce quite gave away the Government's case in regard to the difficulties, which the hon. member for Shelburne and Queen's (Mr. Fielding) spoke about, in calculating the income tax, when he uttered the pious hope that his friend and colleague the Minister of Finance would arrange these matters better and avoid all this trouble in the future. May I point out to my right hon. friend that some of us have not the three-quarters of the highest possible assessment to send, as he generously did, to the Minister of Finance? And I would remind the right hon. gentleman, with all deference, that he is just as responsible to the House and to the country, as the Minister of Finance, for the form in which the income tax is now collected.

The minister (Sir George Foster) was recently at a meeting of the League of Nations, of which body great hopes have been entertained, and he returns to speak in terms of pride of the fact that we are spending only $2,500,000 on our navy,—little, if any, more than we did before the war. But, Mr. Speaker, the war was fought with the intention that we should set our heel upon militarism and enjoy better conditions in the future, and it is cold comfort indeed to say that we should be thankful because our naval expenditure has not risen. And I did not like the prophetic vein into which the minister then passed. He says, When the sky is brighter and economic conditions more favourable, then we will spend more money on the navy. I trust that will not come true. He then spoke of the burdens of the war. He said that he wished he could introduce the member for Shelburne and Queen's (Mr. Fielding) to a knowledge of the burdens which he and his colleagues had borne during the war. Does the Minister of Trade and Commerce think for one moment that all the anxiety and all the burdens which the people of this country suffered during the war were suffered and borne by the members of the Administration? I venture to think, when I look down at the front row of this side of the House, that there were men who had anxieties and burdens, and troubles and sorrows, as grave as any that afflicted any member of the Government. The obligations did not cease when the war was over. Indeed they did not; and could there have been, Mr. Speaker, any more generous affirmation of the willingness of the Liberals of this country to support their fair share of war expense than the words of the hon. member for Shelburne and Queen's? I doubt if there could have been. I say this: that never did any government, in conducting a great war, find its hands so upheld by any Opposition as the Government of Canada found its hands upheld by the Liberal Opposition while the war was on. If there was any expenditure brought forward for the legitimate expenses of the war that the Liberals did not concur in, and if ever differences arose, it was because the Liberals felt from time to time that expenditures of an extravagant nature, or worse, were being incurred and we protested against them—we did our duty in that regard. When the minister tells us, Mr. Speaker, that demobilization is yet a matter for expense, I would say that is, in no small measure, due to the very extraordinarily large idea of what constitutes war expenditure, of what expense could properly be carried to demobilization, which the Government holds. For in the Public Accounts Committee, Mr. Speaker, the other day we found that the money paid to the lawyers in the Winnipeg strike for prosecuting men—among others one whose crime, was that he had quoted a verse out of the prophet Isaiah—that that expenditure, equivalent to $300 a day in some cases, was paid out of demobilization account. To that part of the "war expenditure" I object very strongly indeed; not perhaps to the Government having helped to have these men tried, but certainly to carrying the expenditure to an account in which it has no proper place. For it will not be forgotten that the war was over for more than a year, the fighting had ceased for more than a year or two years, before this expenditure was incurred. The minister says he is a very moderate protectionist. Well, one of my earliest recollections of political life is reading a speech of the Minister of Trade and Commerce in which he quoted:

> That man's the true Conservative
> Who lops the moulder'd branch away.

The minister shakes his head.

Sir GEORGE FOSTER: That was a speech made by Sir John Thompson,—just as good.

Mr. McMASTER: I accept the correction, but my hon. friend sat next to Sir John Thompson, he was, if I mistake not,

his Minister of Finance, and he took full responsibility, I am sure, for Sir John Thompson's statements. If I have credited the statement to the wrong man I beg my hon. friend's pardon, but those were his sentiments at that time. But he goes on to say:—and I do not propose to deal very long with this part of his remarks—"I am a very moderate protectionist, I want to give an industry just enough to give it standing and competing power." Well, I would like to place this superstitious case before him,—I know that with that nimbleness of mind which distinguishes him he will surely be able to follow my arguments. Let us suppose there are two factories—factory A and factory B. Factory A, is properly capitalized, a dollar was put in the treasury for every dollar of stock issued. Factory B was floated into existence in a company promotion, and every dollar of stock outstanding only represents fifty cents put in the treasury. Factory A is properly located, it went where railway communications were good, and where water communications were good. Factory B was seduced from a choice that it had made originally by a bonus, a vicious bonus, held out by some ambitious towns, and located in that town. Factory A is well run, and well managed; factory B is managed by the nephew of the principal shareholder who thinks much more of his golf score than he does of the success of the factory. Will the Minister of Trade and Commerce be able to tell me what rate of duty he would grant to both these industries in order to give them "standing and competing power?" The Prime Minister of this country says "I am not a very high protectionist." It is wonderful, for protectionists, how they like to whittle down their protectionist beliefs—but that is just by the way.

Sir GEORGE FOSTER: Does the hon. gentleman want an answer?

Mr. McMASTER: Of course, I always like to hear you speak.

Sir GEORGE FOSTER: I shall be very glad to give my hon. friend an answer, he seems anxious for it. I would give them both the same protection, and I would base the protection on reasonable location, business management, and the like of that, and the man who did not manage his business efficiently should not call on the Government, surely, to give him a protection for his inefficiency.

Mr. McMASTER: That, of course, would be the sensible thing to do.

Sir GEORGE FOSTER: Well, that is what I would do.

Mr. McMASTER: But let me point out that if factory B did not find a protection, say of twenty per cent, which was quite sufficient for factory A, sufficient to enable it to carry on, you would find the local member from the riding in which factory B is found, if he is a protectionist, importuning the country's administration for an increase of the duty, you would see him making a claim for "adequate protection" or "protection just enough to keep the wheels moving" as the Prime Minister once said.

Now let me, before I pass from this part of my subject, answer another argument advanced by the Minister of Trade and Commerce. He says that the duties, as a rule, are paid by the consumer. He is quite correct in that. He says that the Americans need our hard wheat; they will import our hard wheat and pay the duty. Yes, but the price of our hard wheat will rise and the advance in the price of our—

Mr. ROBB: That is in the United States?

Mr. McMASTER: In the United States of course. Let me make my point perfectly clear. If this duty goes into effect in the United States, and a substantial rate is imposed on Canadian wheat, the American mills will yet require our hard wheat—they will yet have to import it. But that will increase the price to them and it will decrease the demand. It will tend to force the growing of wheat in the northern part of Dakota, and it will tend to hurt us, because you cannot apply a duty without raising the price to the consumer, and you cannot raise the price to the consumer without diminishing the demand. As things become inexpensive the demand for them increases; as things become expensive the demand for them diminishes; and you cannot get over economic laws, which after all exist whether the world is in turmoil or not.

I shall endeavour, Mr. Speaker, to extract from the mass of figures placed before the House yesterday by the Minister of Finance a few of the more salient items. The Minister of Trade and Commerce has claimed that this is a really economical Government—that appearances are deceptive and that the Government really possesses the virtue of economy. Well, the net debt on March 31, 1920, amounted to $2,248,868,623.79. During the year the net debt went up in round figures just $100,000,000. What did that mean? Taking our population at 8,500,000, the per

capita debt on March 31, 1920, amounted to $264.56, while on March 31 last it amounted to $276.48, a difference of $11.92. That is to say, every man, woman and child in the country owed in round figures $12 more this year than he or she did the year previous. That is a fact that I should like to have burned into the consciousness of the Canadian people. I should like to have every man and woman and every child of understanding years realize that this Government has increased the national debt by $12 per head during the past year. That meant that for every day during the fiscal year the debt had increased $277,720. During the short space of one day, while my hon. friend the Minister of Trade and Commerce arose in the morning, pursued his avocations and retired to bed at night, the debt increased to that extent.

What are the other facts which I think should be brought home to the Canadian people? The total revenue for 1920 amounted to $349,746,334. The revenue for 1921 amounted to $82,500,000 more. But our expenditure amounted to $101,000,000 more than our revenue. So, although the revenue in 1921 rose by $82,500,000 over the year before, this spending aggregation was able to keep up with the increase of revenue—not only able to keep up with it, but to surpass it, so that at the end of the fiscal year we were $100,000,000 more deeply in debt than we were on March 31, 1920.

Mr. LAPOINTE: Shame!

Mr. McMASTER: The hon. member for Quebec East says "Shame." And it is a shame, because it was the duty of this Government to cut down expenses, but they have not done so.

We have relied very much in this country, as is natural, upon our customs tariff as an engine for collecting revenue. It is interesting to note that the American Republic collected last year less than five per cent of their federal revenue through their customs tariff. Their total federal revenue amounted to $6,695,000,000, of which they collected $323,000,000 from their customs tariff, while we collected $163,000,000 from our customs tariff during the fiscal year ending March 31, 1921. In round figures, we, with 8,500,000 people, collected half as much money through our Customs as did the United States with their 110,000,000 of population.

The Minister of Finance has told us that the estimate of revenue to be collected under the existing laws amounts to $372,600,000, but that it will require $591,437,000 to pay the estimated expenditure. That is to say, we will require to raise in order to meet our expenditure $228,800,000 more. He proposes to raise $62,760,000 of this by new taxes or by the increase of old taxes, and the balance of $156,000,000 will have to be borrowed. I cannot see how it can be done any other way. You can call it "refunding," taking the debt due by a railway and paying it off, borrowing the money for the purpose, but at any rate we have got to find the money either directly from taxation or indirectly by borrowing.

Let me pass for a moment, Mr. Speaker, to the trade question. Our total exports and imports the minister stated increased last year over the year before by almost $100,000,000. For ease of remembrance one can say that our total debt increased from one year to $100,000,000, that our expenditure increased about $100,000,000, and that our trade increased about $100,000,000. Then I would like to draw the attention of the minister—although he is not in his seat—to the fact that his comparison between the United States and Canada is totally misleading. I noticed some members on the other side of the House applauding when the Minister of Finance stated that the per capita trade of Canada was $293 and some odd cents while that of the United States was $127.78. There is no cause for any expression of exultation, for those figures really mean very little. The United States has varieties of climates and an industrial development which make it possibly the most self-contained country in the world, and as these figures relate merely to foreign trade they, of course, bear no relation to our figures.

The Minister of Finance seemed to express grave fears because our exchange with the United States was so unfavourable. May I state, Mr. Speaker, with all courtesy, that the fears of the hon. minister are based on the fallacy of the mercantile system and on the unsound theory of a favourable or unfavourable balance of trade? I have in this House on previous occasions by a short example shown the absurdity of that line of reasoning, but as a sound lesson cannot be too often inculcated I ask the indulgence of the House if I repeat what I have said before. If a vessel leaves Montreal, loaded, let us say, with a cargo of wheat worth $100,000—(I observe that the Minister of Trade and Commerce indi-

cates that I should designate the ship as one of our Canadian Merchant Marine, but as, for the purposes of my illustration, the ship has to be lost, out of consideration for the Minister of Marine [Mr. Ballantyne] I will not follow my hon. friend's sotto voce suggestion.) Well, this ship leaves Montreal loaded with $100,000 worth of wheat. It goes over to Liverpool and brings back a cargo of hardware worth, let us say $150,000. In that case exports are $100,000 and imports $150,000, and according to the protectionist mind that constitues an unfavourable balance of trade of $50,000 against Canada. But if on the way out the vessel is lost, then we have exports $100,000, imports nil; favourable balance of trade for Canada, $100,000. To reason on such a theory is to deceive and mislead oneself and to deceive and to mislead—unwittingly of course—others.

The Canadian nation does not buy from the United States. Individuals in Canada buy from individuals in the United States, and they only buy in that market if they get better value for their money. If they have to buy under a condition of depreciated currency, that, of course, is a pity, but as long as they get better value for their money than they would if they bought elsewhere they should be allowed to buy there, and for the Government to endeavour to interfere will merely hurt the country, not help it. In order to encourage the Minister of Finance I would like to tell him also that the United States will not sell to us unless they get paid for what they sell; that they will not lend to us unless the security both for capital and for interest is satisfactory to them; and that a young country is bound to have an unfavourable balance of trade, especially if it has heavily indebted itself, as Canada has. A great deal of our exports, of course, go to pay the interest on our debt; the minister is perfectly right in what he says in that regard. But you will never help a country by interfering with the way private individuals propose to carry on their private business.

Now, the minister, after establishing the necessity for new taxes, comes down with his tax proposals, and his first tax proposal is a disguised but serious increase in duties. It was said of old-fashioned medical men that they were always willing to bleed their patients. If a man fell sick, they lanced him and bled him; if he had a relapse, they bled him again. The same principle seems to be upheld by my hon. friends opposite; they think that the only cure for the ills of the body politic is more bleeding—in other words, more taxation.

First of all, then, I wish to say that this taxation is disguised taxation; it is a disguised raising of the tariff schedules. The minister himself has not raised the schedules, but he has devised or some person has devised for him, this somewhat ingenious, but, I venture to assert, unwholesome, method of proceeding. A great many of the currencies of Europe are in a depreciated condition. The franc, usually worth twenty cents, is only worth nine; the lira, usually worth twenty cents, is worth less than six; the German mark, worth in normal times twenty-four cents, is worth less than two cents. What the minister proposes to do is this: in calculating the duty on an import an arbitrary depreciation of 50 per cent will be fixed, if the depreciation in fact is more than 50 per cent. The depreciation under 50 per cent will not enter into the calculation; no greater depreciation than 50 per cent will be recognized. Now, let me show you how that will work out. A man comes into the custom house with an invoice of goods from France. Let us suppose that the franc, instead of being worth twenty cents, is worth ten. As that is no more than 50 per cent the francs will be turned into dollars on that basis and the duty assessed accordingly. But another man comes in with an invoice for Italian goods. Let us say that the lira, usually worth twenty cents, is only worth five. Now, that full depreciation will not be allowed; they will only allow it down to ten; the goods will be valued for duty purposes at twice their real value, and the duty imposed upon those goods will be twice as high as the schedule provides. The manufacturer, therefore, in Canada who is manufacturing goods which are made also in Italy is receiving twice as much protection as he got before. I think it is unsound; it will tend to keep goods out of the country, and it will have other effects which I will speak of in a moment. Then, suppose a man comes in with goods, let us say, from Austria or Germany. The mark has depreciated to less than two cents instead of its normal value of twenty-four cents. But these goods must be valued for duty purposes not at two cents but at twelve cents, to the mark six times as much, and the result will be that nothing will come in. The Minister of Finance is pursuing this mistaken and unsound fiscal policy with the idea that he is going to help Canada. I tell him that

he is going to hurt Canada, and I will show him exactly how it will work out.

Mr. RINFRET: How will it work with the United States?

Mr. McMASTER: It will work the other way with the United States. As a matter of fact, as United States money is at a premium, if you accept their invoices at their face value you would be reducing the duty. I understand that the minister proposes in the case of the United States, to bring about an assessment of duty on the real value of the article. I have no great objection to that. But I am dealing with the case of goods coming from a country in which the value of the currency has depreciated. First of all, Mr. Speaker, I tell the minister that so far as Canada is concerned he is hindering the economic recovery of Europe. As long as the middle kingdoms, Austria and Germany, are in the slough of economic despond there can be no real recovery in Europe. Now, does it affect continental Europe alone? No, it affects Great Britain also. Great Britain before the war exported to Germany as much merchandise as she exported to all her colonies. By helping to keep Europe in the slough of despond you tend to push the Mother Country down the same bank. You spoil our European market. You spoil our British market. If we are going to be kept out, to a certain extent at least, from the markets of the United States, we should wish to cultivate more strongly the British market. If you hurt the British market by hurting the European market, then you diminish the demand for the natural products of Canada. If you diminish the demand for the natural products of Canada, as the producers of natural products form a large part of the great consuming population of the country, you hurt the manufacturers themselves. This policy is a short-sighted, uneconomic one. It just tends to keep the world out of tune, to use the minister's own expression. It is a mistake, and in the long run, it can work only harm to the country.

At Six o'clock, the House took recess.

After Recess

The House resumed at Eight o'clock.

Mr. McMASTER (resuming): When you, Mr. Speaker, so kindly, considered it six o'clock slightly before that hour, I had been endeavouring to develop the point that the underhand method of raising the tariff adopted by the Minister of Finance, by giving an untrue and arbitrary value to the currency of a country depreciated in comparison with our own, would in the long run react upon ourselves to our disadvantage.

I now wish to develop the point and to show how the raising of these duties will affect the consumer in this country. For a long time, publicists in this country have been talking about reducing the high cost of living. At one time there was in Canada a Board of Commerce, of brief and unhappy memory, appointed for that very purpose. That Board of Commerce failed to reduce the high cost of living. It hardly came into being before it ceased to function, and now the Government is placing upon the statute book laws which will not only retard a reduction in the cost of living, but, on the contrary, will increase the cost of living. The safety of the world, the economic and, I think I might say, the social safety, of the world, in no small degree depends upon clearing the channels of trade, and this action on the part of the Government will tend not only to maintain the barriers which are now in the channels, but to insert other snags and quicksands in addition to those which are already there.

The next fiscal proposal of the Minister of Finance is the sales tax. The sales tax has been raised. It is now 1½ per cent on a sale within Canada, 2½ per cent on goods imported into Canada and where the sale is made directly from the manufacturer to the retailer, it is 3 per cent, if the transaction takes place in Canada, and 4 per cent if the transaction takes place between a vendor outside the country and a buyer within the country. I wish, first of all, to point out to the minister that this sales tax will take considerably more out of the pockets of the people than it will bring into the Treasury of the country. The manufacturer, in the first place, who sells to the wholesaler has to put on a tax of 1½ per cent. That 1½ per cent will form part of his cost of production. He will establish his profit on it as well as on the prime cost of his goods, and will hand it on, plus the profit, to the wholesaler. The wholesaler, when he comes to sell to the retailer, will do the same thing, so that ultimately when the tax reaches the consumer, instead of being 3 or 4 per cent, it will amount to 4, 5 or 6 per cent. There is another objection to this tax, and it is this: One of the first maxims of taxation is that

the taxes should be determined by the ability of the taxpayer; they should be ability taxes, rather than consumption taxes. Now this is a consumption tax. If I am a man with a large family I shall have to pay more to the Government on account of this tax than a man who lives next door to me with an income just as large as mine, but who happens to be blessed with fewer children.

Some hon. MEMBERS: Oh, oh.

Mr. McMASTER: It is a blessing to have a larger number; the other man is blessed with fewer. No one can misunderstand what I said. The fact of the matter is that you are placing this tax most heavily on precisely those people who should not be called upon to bear it.

The next impropriety in the tax is this: You make the tax substantially heavier—3 per cent—when the sale is directly from the manufacturer to the retailer. Therefore, you encourage the middleman; you encourage that distributor whom it is desired to get rid of as far as possible. We want, if possible, in a civilized society to bring the producer and the consumer as closely as possible together. Every extra pair of hands through which goods pass increases the price without advantage either to the producer or to the consumer. Very often, of course, it is an advantage to have a middleman of this sort, but here there is an artificial stimulation given to the existence of the middleman, and I humbly submit that that is unsound economics.

Again, the Minister of Finance has taxed the sales of imported goods more heavily than sales of goods manufactured in this country. What does that mean? It just means another indirect way of raising the tariff. We have a tariff, say, of 30 per cent, and remember, that the duties as a rule, as was admitted by the Minister of Trade and Commerce, are paid by the consumer. Now why should the consumer pay, let us say, 34 per cent—30 per cent tariff and the sales tax of 4 per cent—in respect of one article which is brought in from abroad, while he will only pay to the Government if he buys the article from a manufacturer within the country, 3 per cent? It is absolutely wrong. What should have been done was to make the sales tax as far as possible a counter-vailing excise tax. Then you would have got more money into the treasury, you would have placed no greater burden upon the consumer, and you would have protected your revenue, because what will happen under this sales tax is that the Government will lose some revenue that it otherwise would have had. Customs duties are already high, and the sales tax placed on top of the customs duties may keep the goods out of the country, and thus the Government may get no revenue in respect of such goods whatsoever. In this connection, may I point out something which I noticed in the resolution? Flour is removed from the sales tax unless it is sold in packages of less than 48 pounds. If it is sold in packages of less than 48 pounds, it has to pay the sales tax. That is extremely unfair to the flour merchants and manufacturers who sell their wares in comparatively small parcels. It makes a distinction which I do not think is justified in equity. Why should the flour manufacturer who puts up flour in parcels under 48 pounds have to pay a tax while other manufacturers who do not sell in such small parcels are freed from the tax? It is unfair to the small flour miller, and more than that, it is unfair to the small family. I pointed out a moment ago how a tax was unfair to the large family. I suppose the Minister of Finance wanted to be fair in his unfairnesses, and now he has developed an unfairness to the small family. It is suggested to me by the hon. member for Chateauguay-Huntingdon (Mr. Robb), who is as conversant with the flour business as any one in the House, that the working man often buys his flour in small quantities, and if he buys his flour from a miller who puts it up in small quantities, he will have to pay this tax, while if he is rich enough to buy a barrel at a time, or over 48 pounds, he will not have to pay the tax.

There is another matter to which I would invite the attention of the House. It is the increase of duties in connection with cocoa paste, cocoa beans, and cocoanuts. One would almost think that the Minister of Finance in his early days in visiting some exhibition had been very unfortunate at the cocoanut shy, because he has certainly come down heavily upon cocoanuts and all cocoa products. In our climate cocoa is a very valuable food, and anything that tends to raise its price is a mistake. It is a drink easily prepared, "grateful and comforting," as the advertisement of a certain brand states, and there is no reason why, when the minister is taxing whiskey, he should also turn his attention to cocoa. He has raised the tariff on cocoa paste or "liquor" from 3½ cents and 4 cents per pound, the old rate, to 4 cents, 5 cents and 5 cents. Cocoa

paste or "liquor" sweetened is also raised, and preparations of cocoa or chocolate come now at a considerably higher rate than before. The old rate was 22½ per cent, 27½ per cent, 27½ per cent; now it is 27½ per cent, 35 per cent, and 35 per cent. I do protest against this taxing of one of the necessaries of life, because, besides being a healthful drink, it is a vital liquid food, and there is no social or economic reason why it should be raised in this fashion. Then arrowroot has been singled out by the minister for attack. This is the invalid's food, and now the duty has been raised by 50 per cent. It used to be half a cent, a cent and a cent; now it is ¾ cent, 1½ cents, and 1½ cents. I cannot see any good reason for this increase. Cocoa beans have been raised from free, 75, and 75, to free, $1.50 and $1.50.

I may be told that this is done in order that we may give a preference to the West Indies. I am anxious to trade with the West Indies and with any other country where I can get the best value for my money, but I do protest against these efforts, which I do not think will be successful in the long run, to direct the stream of commerce at the expense of the Canadian consumer. The minister also feels that grape fruit should now be increased in price—for the increase in duty will no doubt bring about an increase in price—and even the small lime has not escaped his attention. He has pushed up the duty on these fruits by one half.

I do not propose to take up the time of the House any longer on this matter. In closing his remarks last evening, the Minister of Finance said:

> Mr. Speaker, we in Canada have a great task before us. The world is sadly out of tune. May we help in restoring harmony? Trust and confidence are sadly lacking. Class interests are advanced with selfish insistence. Unemployment is with us. Faith in our fellow-men is weakened. Doubt of the future is often voiced.

I give the Minister of Finance credit for sincerity in the sentiments which I have just quoted, and I free him from any imputation of wrong intent in what he said. I believe he is as innocent of any wrong intention as he is powerless to control the spending proclivities of his colleagues as well as being quite unacquainted, it seems to me, with the fundamental laws of economics. He asks: "And what is the trouble?" I will endeavour, as briefly as I can, to tell him some things in which I think we are following wrong methods and in which I believe there is room for improvement. We are following an unsound economic system. I know that our friends on the opposite side like to raise the bogey that we propose in one fell swoop to change the economic system followed for some time in this country and by so doing bring about distress, not because our cure is unwise, but because we want to apply it too quickly. We who believe in a low tariff, Mr. Speaker, are prepared to give every reasonable opportunity to manufacturers, or any other people who think that they are beneficiaries of the present system, to adjust themselves to new conditions; but we will not permit the foundation on which we propose to build our policy to be obscured. It is our firm conviction that protection has been a snare, a delusion and a mistake. That is my belief and the belief of a great number of people in Canada. Why have the people lost faith? I think that this Government has something to do with it. This Government has ceased to be representative; it has outlived the period of its usefulness, and should have gone to the country months if not years ago. It is holding on to office after the occasion for which it was given a mandate has expired, and I think that the best proof of this statement is the disinclination amounting to a practical refusal on the part of the Government to hold by-elections in time to allow the unrepresented portions of the country to be represented in this Parliament at the present time. The Government, I believe, is doing a wrong to the people in holding on to office in general, and it is doing a wrong to the people in refusing to hold by-elections at such a time as will afford constituencies unrepresented an opportunity to elect members to represent them in this House. There has also been another practice on the part of the Government which has tended to undermine public confidence in public men, and that is the attempt that has been made by members of the Cabinet and other gentlemen on the other side to seduce men from their political allegiance.

Some hon. MEMBERS: Oh, oh.

Mr. McMASTER: Those hon. gentlemen who laugh and say "Oh, oh," know as well as I do that what I say is absolutely true. Recently there has occurred in this House an incident which is also calculated to undermine the confidence which the public should have in public men. I propose to refer to this incident for two reasons. In the first place, I may say that I was engaged in a by-election at which the minister in question was elected. He asked the people of St. John city and county to elect

him for certain reasons. He said: "I will go to Ottawa, not as a Liberal or a Conservative, but to represent, first, the port of St. John, secondly the people of St. John, thirdly, the province of New Brunswick, and then the Dominion of Canada." On that occasion I protested against that method of political appeal and I warned the people of St. John that that was not a proper sentiment to be uttered by a public man. My words were not heeded, but I have in my hand to-night the proof that what I said was wise and true; and it would have been well if my audience had harkened to me. Again, in this House, earlier in the session, I introduced a Bill for the purpose of dissociating public men from their private interests. I proposed that men who entered the Cabinet should cease to act as directors of incorporated companies. The Government spoke and voted against that Bill. Some were kind enough to say that they approved of the ideas which I entertained but that I was entering on the field of private honour, and that private honour was best left to private honour and legislation would be unwise. Under these circumstances I beg leave of the House to bring this matter before it: On January 13, 1921, on the paper of the Department of Customs and Inland Revenue, the following letter was written:

French Purchasing Commission,
Care of French Embassy,
London, E.C., England.

Dear Sirs,—I am informed that your Government will have quite a few French steamers taking grain from the port of Saint John, N.B., Canada this winter.

The firm of Nagle and Wigmore of which I am a member are very anxious to secure this business. We are the largest firm of shipbrokers in Saint John and have done a very large amount of business along these lines.

We have our own tow-boats, tend to all stevedoring and all matters in connection with the general brokerage business.

As you are no doubt aware, I am Minister of Customs and Inland Revenue in the Canadian Government and I spoke to Sir George Foster, my colleague in the Cabinet who has just returned from England being Canada's representative at the League of Nations' conference which has just been concluded at Geneva and he advised me to write to you.

We are in a position to handle your business to your satisfaction and would refer you to the Bank of Nova Scotia as to our financial ability.

We are agents for the Canada Steamships Lines Limited, the Compagnie Canadienne Transatlantique, Limited, the Fracanda Line and the Acadian Shipping Company, Limited.

I would very much appreciate your giving us your business.

Thanking you in anticipation,
I remain,
Yours very truly,
R. W. WIGMORE.

[Mr. McMaster.]

Now I do not propose to animadvert at any length on the discredit of this communication or to reproach the minister for, having written it. I merely state that it shows the minister is not familiar with the conventionalities, or the proprieties, or even the decencies of public life; but what I do want to bring before the House and the country is the attitude which the Prime Minister has assumed in connection with this matter. The Prime Minister is the master, when he desires it, of clear expression, and I have read with care in Hansard what he said when this matter was brought to his attention in the House. His clarity on that occasion was conspicuous by its absence. He surrounded his thought in a cloud of words, but no word of disapproval of this action escaped his lips:

It is not for me to approve or disapprove—

He said:

—of conduct particularly, unless such conduct is of a character inconsistent with the duties of the minister as a minister. . . . I must say that I was not able in this case to discern conduct of any corrupt or culpable nature.

If the Prime Minister of Canada is not able to discover anything of a culpable nature in regard to a letter of this sort, then it is the duty of the Opposition to point it out to him as clearly and as emphatically as possible. I say that such action on the part of a minister of the Crown is first of all unfair, and grossly unfair, to the electors who elected him. The electors of St. John may have come to the conclusion that it is quite proper to elect a man to represent their port first, their city next, their province third, and then the Dominion of Canada; but they never would come to the conclusion that his first duty was to represent the stevedoring firm of Nagle and Wigmore. It is grossly unfair to the electors of St. John who elected him. Then I say it is lacking in dignity. I could no more imagine certain members of this Government doing such a thing than I could imagine them flying, but if they remain silent, if they do not protest, then, to a certain degree at least, they must bear a share of the responsibility.

The next point I want to make, Mr. Speaker, is that it is dangerous to the state. Some years ago there was a trade arrangement negotiated in Washington. One of the ministers of the Crown who went to Washington to negotiate that trade arrangement was then Minister of Customs the late deeply regretted Hon.

William Paterson, and it is quite possible if this Government should maintain itself in office for some time longer that the Minister of Customs and Inland Revenue may be sent to Paris to negotiate a trade agreement with France. If he was there, and if the discussion waxed somewhat warm as to whether this concession or that concession should be granted to Canada, would not the minister be in a nice position if one of the officials in the French Foreign Office, who perhaps had been attached to this Purchasing Commission in London, said: "Well, Monsieur Wigmore you should be a little easy with us. Do not forget we gave an extremely lucrative contract a couple of years ago to your firm of Nagle and Wigmore?" For a minister of the Crown to solicit business for his firm from a foreign government, or any department of a foreign government, or any commission of a foreign government, is unwise, in fact dangerous, to the state. It may be summed up as a prostitution of public position to promote private profit.

What may it lead to? If it is correct, if it is proper, for the minister to solicit business from a foreign government, why should it not be proper for him to solicit business from another department, or a commission, in his own country? There may be a difference—no doubt the Prime Minister, the Minister of Justice or the member for Frontenac (Mr. Edwards) can draw the distinction—but what is the gravaman of the charge? The gravaman of the charge is that a man uses his public office to further his private business and the impropriety would be merely a question of degree. I am sorry the Prime Minister is not in his place for it is with him I wish to deal. It is with his failure to disapprove of this conduct with which I wish to deal. If the Prime Minister says that it is all right, what objection could there be to one minister asking another to promote the interests of the companies in which that first minister is engaged? I have on my desk before me a little book called "Landor's Imaginary Conversations." There you find a conversation between Henry VIII and Anne Boleyn. You find one between Queen Mary and Bothwell, and between Cromwell and Walter Noble. I have, along these lines, prepared two letters. They are absolutely imaginary; there is no intention in my mind to assert for a moment that it is possible for the man, who is supposed to have written this imaginary letter to have really written it—I want that distinctly understood. But I say once you throw the door open this is what we may find in the case of a man, perhaps of not as high character as those who are at present in the cabinet. This is the imaginary letter:

* * * *

[The matter deleted is in the form of a letter to Hon. F. B. McCurdy, Minister of Public Works and signed, "C. C. Ballantyne." See ruling of Mr. Speaker, p. 3260.]

* * * *

Here is another letter somewhat of the same sort. I again say that it is an imaginary letter, and I do not imply that the gentleman whose name I will read out as the fictitious author would have written such a letter. I merely place this before the House and before the country to show how far the matter may go if the Prime Minister's view is taken that such conduct as that of the Minister of Customs and Inland Revenue shall pass without any expression of disapproval.

D. B. Hanna, Esq.—

Mr. THOMAS HAY (Selkirk): Mr. Speaker, I rise to a point of order. I do not know whether I am correct or not—

Some hon. MEMBERS: You are not.

Mr. SPEAKER: Order.

Mr. HAY: —but I should like to have your ruling, Sir, on this point: whether it is in order to attach a minister's name to an imaginary letter.

Mr. SPEAKER: It is rather difficult to get hold of an intangible thing, for the hon. member (Mr. McMaster) says the letter is purely imaginary; were it otherwise I should have been the first to rise and call him to order. I do not see that under the circumstances I can properly call the hon. member to order, because before he read the letter he clearly stated that it was purely imaginary. It is perhaps questionable whether it was in good taste for the hon. member to refer by name to another hon. member who is also a member of the Government. That is quite another matter. But so far as the strict application of the rule is concerned, I do not see that I could properly call the hon. member to order.

Mr. McMASTER: I am always glad, Mr. Speaker, to accept your ruling on matters of parliamentary etiquette. I am not prepared to accept your ruling on questions of good taste; I believe that I am sufficiently endowed to deal with such questions myself

Mr. SPEAKER: The hon. member, if he questions the ruling of the Chair, knows his proper remedy under the circumstances. I did not call the hon. member to order; I merely raised the question as to whether the proceeding which he was taking was or was not in good taste. But I wish the hon. member to understand that so long as I am the incumbent of this Chair, if he desires to take exception to my ruling he must do so in the constitutional manner.

Mr. McMASTER: I wish to say, Mr. Speaker, that I take no objection to your ruling. I take objection to a gratuitous remark as to whether I am proceeding in good taste or not, because I do not believe that is within your province.

Mr. SPEAKER: I believe it is within the province of the Chair, subject always to its occupant having the confidence of the House, to see that the proceedings of Parliament are conducted in a proper spirit and with due decorum. I think the hon. member will find that that is true in all British deliberative assemblies. But I do not think the hon. member should take the attitude that he has taken in respect to a remark made by the Chair, because there was no intention whatsoever to unduly reflect upon him. It is, however, quite proper for the Chair, to direct the attention of the House to the circumstance that it was questionable whether the hon. member was proceeding in good taste or not.

Mr. BALLANTYNE: Mr. Speaker, I certainly take very strong exception to the hon. member for Brome—

Some hon. MEMBERS: Order.

Mr. BALLANTYNE: If the Speaker will allow me—

Some hon. MEMBERS: Order.

Mr. BALLANTYNE: I rise to a point of order, Mr. Speaker. I think it is most unfair for the hon. member for Brome to read to the House an imaginary letter phrased as this letter is and then to give out as the signature to that letter my name as Minister of Marine and Fisheries. I therefore rise to a point of order and ask that my name be stricken out of the record.

Mr. SPEAKER: It is upon that point that I used the expression that it was questionable whether it was in good taste to use the name of an hon. member or minister of the Crown in respect to a purely imaginary letter, because there is the possibility in the guise of such a letter of contravening the rule which explicitly states that an hon. member may not be called by name in the course of debate. If the hon. member for Brome had used an imaginary letter attaching to it the signature of a fictitious person, he would be absolutely in order and his conduct would be unquestionable. But I say there is very grave doubt whether the hon. member has used proper discretion in attaching to an imaginary letter the name of a minister of the Crown, calling him by name.

Mr. McMASTER: Mr. Speaker, I think in fairness to myself I should be allowed to draw the attention of the Minister of Marine and Fisheries as well as of yourself, Sir, to the fact that I very plainly stated that it was an imaginary letter, and I also went further and added that I did not imply that such a letter could be written by any member of the Government.

Some hon. MEMBERS: Oh, oh.

Mr. McMASTER: I have no desire to hurt the feelings of any one, and I have every desire to bow to your ruling, Sir. We will call the imaginary writer "C. C. Jones." That is the very commonest name.

Mr. BALLANTYNE: Mr. Speaker, I rise again to the same point of order. I wish to make it abundantly clear that I want stricken from Hansard my name which the hon. member attached to the imaginary letter he read.

Mr. McMASTER: Mr. Speaker—

Mr. BALLANTYNE: Mr. Speaker, I should like your ruling.

Mr. McMASTER: The ruling has been given.

Mr. SPEAKER: I have already ruled upon the point or order, and the hon. member has met the objection by substituting another name for that of the minister's. It is, of course, inconvenient to have stricken from the record what has already gone down, but I take it that in substituting the fictitious name the hon. member has put himself within the letter of the rule. Further than that I cannot go.

Mr. McMASTER: I have endeavoured to show what the failure to disapprove of this sort of action may lead to. I have done it in such a way as to amply prove my case, because the Minister of Marine and Fisheries resents so strongly the idea of being connected with such a letter that he protests in the most emphatic terms against his name being attached to it even

when it is declared in the most unequivocal terms to be purely an imaginary letter. We have to see in this House that public confidence is restored. It is not for the Prime Minister to excuse the inexcusable, to justify the unjustifiable, and to defend the wrong. It would have been more fitting, I submit, for the Prime Minister not to have endeavoured to palliate the conduct of his colleague but to have kindly reproved him. It is along the line of restoring confidence that we must proceed, and we can only restore confidence when the men and women of this country know that the members of this House are seeking no selfish or private interests but only the welfare of the state.

Mr. J. W. EDWARDS (Frontenac): Mr. Speaker, the hon. member for Shelburne and Queen's (Mr. Fielding) said this afternoon that there was no free trade issue in this country; that the Liberal party had never advocated free trade; and he assumed to speak for the Progressive party, saying that that party had never committed itself to free trade. In view of this statement by the hon. gentleman I would like to quote to the House a plank of the Liberal platform of 1893, which says:

> We denounce the principle of protection as radically unsound and unjust to the masses of the people, and we declare our conviction that any tariff changes based on that principle must fail to afford relief to the trouble under which this country labours.

That was the platform of the Liberal party in 1893, and the hon. member for Shelburne and Queen's was then a prominent member of the Liberal party and had a part, I would assume, in framing that particular part of it. But in speaking on the Budget last year the hon. member said:

> I think we will find that we are all prone, in framing platforms, to put things perhaps a little more strongly than is wise, and we all find that we have, when we come to the responsibility of office, to modify our views.

With a wave of his hand the hon. member sweeps away the pledge that was given by the party to which he belonged in 1893 and which was backed up by the right hon. Sir Wilfrid Laurier in these words:

> If the Liberals are successful they will cut off the head of protection absolutely and trample on its body. We will tax for revenue but not one cent for protection.

What does that pledge mean? Has it any meaning whatever? Does it convey any thought to the people of the country? What do these words of Sir Richard Cartwright mean:

> Our policy is death to protection. Our policy from first to last has been to destroy this villainous system of protection which has been grinding out the vitals of the country.

Do these words mean nothing? Were they intended to impress the public mind or not? Sir Louis Davies said:

> We are attacking this policy year after year. This is an accursed system—a system accursed of God and man.

Well, it has been cursed enough by certain men on the other side, there is no doubt about that. But the hon. member for Shelburne and Queen's, with a wave of his hand, says: The best evidence we can give the people that the Liberal party is not a free trade party, never was a free trade party, never had any thought of adopting free trade, is that notwithstanding our very definite and specific pledges along that line, made to the people of Canada and repeated from one end of the country to the other, for fifteen years we have made no attempt whatever to carry out our pledges. And he wants the people of the country, Mr. Speaker, to accept that explanation. In fact, he told us this afternoon that just as the people accepted their statements in 1896 they would accept their statments in the election whenever it should come, be it this year or next. But there is this difference, Sir: In 1896 the people had had no experience in the deliberate breaking of solemn pledges made by the leaders of a party, but in the fifteen years that these hon. gentlemen were in power they demonstrated how little dependence could be placed by the people in any promise which they made. I say, therefore, that when the hon. gentleman and his friends again face the electors of Canada they will not find the people quite as credulous, quite as ready to believe their statements and accept their pledges, as they found them in 1896.

The hon. member for Brome (Mr. McMaster) has at times advocated free trade in this House with a reverence which would almost make one believe that the free trade doctrine was a part of the Sermon on the Mount, but in practice the hon. gentleman has paid just as little attention to that doctrine as a heathen would pay to the doctrine of Christianity. That is the difference between the free trade theorist when he advocates his theory and the free trader when he comes down to practical politics. The hon. gentleman has frequently posed in this House as a free trade economic expert,

and on many occasions he has given us some excellent illustrations of the arbitrary use of a specialized imagination. To-day, however, he has gone beyond that and has attempted to place this specialized imagination of his in book form so that it may be handed down to posterity. The hon. member made an attack upon hon. members on this side and in order to drive home his attack he professed to read what he called imaginary letters. He questioned the propriety of a minister of the Crown having anything to do with a business enterprise, advertising himself because he was a minister of the Crown as connected with a business enterprise. The hon. gentleman, I think, has forgotten some things which have taken place in this country within recent years. I would like to draw his attention to an advertisement which appears in the Canadian Law List of 1910. It is an advertisement which takes up the whole of one page; there is nothing imaginary about it; it is here in black and white. It is the advertisement of a firm described as "Murphy and Fisher, Barristers, Solicitors, Parliamentary, Departmental and Patent Office Agents; Practice Before Railway Commission," and the members of the firm are Harold Fisher and the Hon. Charles Murphy, who was at that time a member of the Liberal Government. What, may I ask, was the purpose of putting this advertisement in this book if it was not to secure business for that firm? Why should they call particular attention to the fact that they were parliamentary, departmental and patent office agents if it was not to try to get the public to deal with them, and why should they call attention to the fact that one of the members of the firm had the prestige of a position in the government of the day? Did that call forth any adverse criticism from the member from Brome? As a lawyer he would naturally look over this list and know that this advertisement was there; did it bring anything from him? Not that we have ever heard of. Then, again, I call attention to the Canadian Law List of 1911, and in that I find another firm advertising their wares—Gouin, Lemieux, Murphy and Berard, and it goes on to tell us who they were: "Sir Lomer Gouin, Premier of Quebec; Hon. R. Lemieux, C.R., M.P., Postmaster General." What was the idea of putting "Postmaster General" in there if it was not especially to call the attention of the public to their peculiar fitness or ability to deal with matters as a firm? I might refer the House to the Canadian Almanac of 1911, which contains, amongst other advertisements, an advertisement containing the name of the hon. member for Three Rivers (Mr. Bureau), and the information that he was at that time Solicitor General.

Mr. BUREAU: What year is that?

Mr. EDWARDS: The Canadian Almanac of 1911. It occurs to me that the hon. member for Brome (Mr. McMaster) is living in a glass house when he is attempting to throw these stones; that in this connection, as in connection with everything with which he has had anything to do with our public life, trade matters and the like, my hon friend has always had two different kinds of songs. One song he sings, for instance, when he wants to pose as a great free trader, and another song he sings, as he did before the Liberal Convention in 1919 in this city, when he wants to get a little bit of support from those manufacturers whom he is sometimes disposed to speak of very harshly on the floor of this House. We have various kinds of free traders. We have in this House a number of free traders who seem to agree as regards what they oppose, but who never seem to be able to agree on any definite, constructive policy. One finds in the free-trade doctrine something that he cannot just swallow or agree with; another finds something else, and when the question is one of playing politics, even the hon. member for Red Deer (Mr. Clark), who has posed repeatedly in this House and in this country as an out-and-out, uncompromising, free trader, finds himself playing the game of practical politics. I will quote the hon. member's words in that regard a little later on. The hon. member for Brome (Mr. McMaster) a couple of years ago found himself in a very much different position from that in which he finds himself to-day. On that occasion he moved an amendment, and he was not quite as much in agreement with the hon. member for Shelburne and Queen's (Mr. Fielding) as he appears to be now. On that occasion the hon. member for Shelburne and Queen's did not occupy a seat on that side of the House. The hon. member for Brome, I remember, pictured the ship of state with Sir Thomas White as captain, and he pictured the captain of the ship as being threatened by what he called the starboard watch and the port watch. Then he added these words:

Then approaches with swift tread the quartermaster from Shelburne and Queen's (Mr. Fielding), and he says: "Captain, I belong neither to the starboard watch nor to the port watch. I

believe in party government, a party of one. I tender you, captain, my independent support until I consider it is time for me and my friends to unite and make you walk the plank." I do not know whether I can congratulate or commiserate the Acting Prime Minister, the captain of the ship, for the support he gets from the eloquent and the revered quartermaster from Shelburne and Queen's.

The hon. member for Brome has become quite docile since then. He has handed over the particular portfolio that formerly belonged to him as the great resoluter of the House. He sits mildly and quietly several seats back behind the hon. member for Shelburne and Queen's, who now moves the resolutions and passes the word back to the hon. member for Brome to play the soft pedal on his free-trade business for a while "until we see if we cannot fool the people as we did in 1896."

The hon. member for Brome, in his speech, rather blamed Canada for preventing Europe from getting back to normal conditions. I do not know that those were his exact words, but I think they convey his idea fairly well. He rather 9 p.m. objected to the fact that we did not allow German goods, for instance, to come into Canada and assess them at the present exchange value of the German mark. I have heard what seem to me to be some very curious arguments from my hon. friend, but I do not think I have ever heard anything which has struck me as being quite as peculiar as that argument. If we were to follow his lead—and he says that the German mark is worth only about two cents—that would mean that German goods made by the cheap labour of Germany—German labour that is hardly worth anything—would be allowed to come into this country and be assessed at an ad valorem valuation according to the present value of the German mark. He might as well have no tax on the goods at all. He is taking a roundabout way of advocating what is practically free trade. There are in this country enough men walking the streets looking for work; we have made sacrifices enough as a country in the war that we went through, and I for one would strongly object to allowing German and Austrian made goods to come into this country to take the place of goods manufactured by our Canadians, while our Canadians walk the streets of our cities looking for work. That is the position taken by the hon. member for Brome, and I take issue with him on that point just as strongly as it is possible to do so.

I want to say a few words in regard to the tariff, and I desire to preface my remarks by this statement. We have reached a time—in fact, in my judgment, we have long since passed the time in this country—when we should have a permanent tariff commission to gather facts for the information of whatever Government is in power and for the members of Parliament, a tariff commission similar to the one which is in existence on the other side of the line and which, according to expressions of opinion of their statesmen, has done magnificent work for that country. The appointment of such a tariff commission would go a long way towards resoring public confidence in this or any subsequent Parliament in its dealing with tariff matters. Satisfy the public that you have the facts before you; that this House is in a position to deal with known facts, and I am convinced that you will find very few people in Canada who are free traders. I believe that the vast majority of the people of this country are in favour of moderate protection and that they will support a government which has that for its policy, if they are convinced that the government is dealing in a scientific way with the tariff on absolutely irrefutable facts for a basis.

In connection with what has taken place in this country during the past few years, may I say that as regards the public debt in Canada, our debt in March, 1911, was $340,000,000, and in 1914 on March, 31, $333,300,000. That is to say, between 1911 and 1914 there was a reduction of the debt of $6,700,000. Then the war came on. I want to say this, and only this in regard to our debt. It is, of course, very large but I do not think one needs spend time in attempting to prove that the increase in our debt is due entirely to the war and to the needs growing out of the war. I obtained from the Finance Department last year some figures in regard to this, and I propose to place them on Hansard. The interest on the war portion of our debt, on soldiers' civil re-establishment, and pensions, up to March 31, 1920, amounted to $1,996,000,000. I think I am right in quoting from the speech of the Minister of Finance yesterday that the amount spent along these lines in the last fiscal year was $225,000,000. That would make a total up to the end of the last fiscal year of $2,221,000,000; that is the amount of money spent in connection with the war—war interest, soldiers' pensions, soldiers' civil re-establishment, and

so on. Now when we take that into consideration, I think that this country has made a splendid showing so far as its finances are concerned. I believe that in the period from 1911 to 1914, notwithstanding the fact that the people of Canada had contributed in Victory Loans about $1,000,000,000, and large amounts also in voluntary contributions, the deposits of the people in our savings banks increased by 87 per cent, which was 7 per cent more than the increase of deposits of the people of the United States for exactly the same period. Having regard to these figures, and the fact that the Government has during the years of the war not only kept up the grants to agriculture, but multiplied those grants by four, and given special grants in many other directions to assist the people generally. I think that the financial position of this country is one of which we need not be ashamed.

Now in regard to Budgets. The first Budget after the 1911 election was delivered in March 1912. There were no tariff changes in that Budget. In 1913 the next Budget was delivered. It reduced the duty on cement from 12½ to 10 cents per hundredweight, and from 43¾ to 35 cents per barrel of 350 pounds; type-setting and type-casting machines bearing a duty of 20 per cent were made free; traction ditching machines, bearing a duty of 27½ per cent, were made free; sugar duties in the general tariff were reduced from $1.24½ to $1.07¾ per cwt. So, as far as that Budget is concerned, I do not think that anybody can claim that its tendency was in the direction of greater protection, but rather in the direction of lowering the duties.

In April 1914 the next Budget was brought down. A duty was imposed in that Budget on wire rods, but an exception was made where those wire rods entered into the manufacture of fencing. The duty on bituminous coal was removed when such coal was used for making coke. The duty on binders, mowers and reapers was reduced from 17½ to 12½ per cent. In that Budget of 1914 I think that any person who is disposed to be fair will say that the tendency was in the direction of lowering, rather than increasing the duties.

We come to 1915. The war was on then, and the necessity for raising revenue was pressing very strongly upon the Government. The War Revenue tax of 7½ per cent and 5 per cent was added. There was a general addition of these duties, but certain exceptions were made, and I wish to call attention to those exceptions because they indicate a desire on the part of the Government to give the farmer the benefit of as low a duty as possible. The exception to the addition of the 5 and 7½ per cent duties were wheat, wheat flour, tea, sugar, anthracite coal, binder twine, binders, mowers, reapers, ditching machines, and salt for fishermen. Special taxes were imposed on banks, trust companies, loan companies, and express companies. Then there was a tax on cheques and railway tickets, and an increase in the letter postage. I would again call attention to the fact that in that Budget preference was given to the farmer.

The next Budget was brought down in February 1916. It raised the duty on apples to 90 cents a barrel; the duty on petroleum oils was increased half a cent a gallon, and The Business Profits tax was imposed.

In 1917 there were no tariff changes, but some changes were made in the Business Profits tax and the Income tax.

We come now to the Budget of 1918, when the senior member for Halifax (Mr. Maclean) was Acting Minister of Finance. There were no tariff changes to speak of in that Budget. A duty was imposed on tea and some change was made in the duties on coffee and chickory. The excise duties were increased on cigars. I wish to quote briefly from the speech of the hon. member for Halifax, then Acting Minister of Finance (Hansard, 1918, P. 1256):

> To redress the adverse rate of exchange with the United States, we must lessen our imports from that country, or the United States must buy more from us.

I quote those words because they are very much in line with the words that were used a year later in this House by the hon. member for Marquette (Mr. Crerar).

Now I want particularly to call attention to what took pace in the Budget of 1919. The Customs War Revenue Tax which had been imposed in 1915 of 5 and 7½ per cent was removed entirely with regard to the British and practically repealed in regard to the general tariff. Both the 5 per cent and the 7½ per cent, which had been imposed in 1915 and which I think was unanimously accepted by the House,—although I am not sure of that statement,—were repealed on food stuffs, linen, cotton and woollen clothing, boots and shoes, fur caps and fur clothing, hats, caps, bonnets, gloves, mitts, collars and cuffs, hides, skins, leather, harness and saddlery, agricultural implements, petroleum, oils, mining machinery and bituminous coal. In addition to the removal of the 5 per cent and the 7½ per cent, fur-

ther reductions were made in the tariff rates as they had existed since 1907. There was a reduction on coffee of 5 cents, and on tea of 3 cents per pound; wheat, wheat flour and potatoes were included in the free list, potatoes being an addition thereto. The general tariff on agricultural implements was reduced from 27½ per cent, first, by taking off the 7½ per cent which had been added in 1915, and then by taking off an additional 5 per cent. That is to say, the duty was brought down to 15 per cent on cultivators, harrows, horse rakes, seed drills, manure spreaders and weeders; and there was a reduction from 27½ per cent to 17½ per cent on ploughs, windmills, portable engines, and traction engines for farm purposes, horse powers, threshing machines, and separators. There was a reduction from 32½ per cent to 20 per cent on hay loaders, potato diggers, feed cutters, grain crushers, fanning mills, hay tedders, field rollers, farm wagons, post hole diggers, and other agricultural implements. The duty on cement was reduced from 10 to 8 cents per hundred pounds. The above changes which, as hon. members can all see mostly affected the farmers, meant a tariff reduction and a consequent loss of revenue of over $17,000,000.

Now, Sir, I have called particular attention to this because certain hon. gentlemen in this House, who sit over to my right and call themselves the Progressive party, showed an attitude in regard to that Budget which has always seemed to me most peculiar and inconsistent. On that occasion the hon. member for Brome (Mr. McMaster) moved an amendment to that Budget, which called for free foodstuffs and free machinery, and the adoption of the Reciprocity Pact of 1911. There was a manifest contradition in the terms of the amendment, inasmuch as if you adopted the Reciprocity Pact of 1911 you would raise the duties on agricultural implements higher than they were at that particular time. At the same time, however, the amendment called for free machinery. On that occasion the hon. member for Marquette (Mr. Crerar), the leader of the Progressive party, said, as recorded at page 3331 of Hansard: "This is a protectionist Budget." That was his opinion at that time. I agree that it was a moderately protective Budget. But what did the hon. member for Red Deer (Mr. Clark) say in regard to the Budget on that occasion? I quote his words from page 3381 of Hansard. Referring to the statement of the hon. member for Marquette, he said:

> "I cannot quite agree with my hon. friend from Marquette. . . I think a fairer thing would be to define it—and I think history will so define it—as a Budget tending towards free trade. I am particularly grateful for the Budget."

How did he show his gratitude? He showed it by voting against that Budget, for which he said he was particularly grateful. Again, as will be seen on the same page, he said:

> The Budget has this advantage at least over the amendment: that it can be pointed to by its authors as having done something. . . we must give a great deal of credit to people who do things in preference to those who. . . . only profess them.

And then he manifested the sincerity of his desire to give credit to people who do things, rather than to those who only profess to do them, by voting for the amendment. He voted in support of those who only made a profession and against those who were really doing something. Again, he said, in referring to the Budget of 1919:

> The reciprocity agreement is very largely embodied in the Budget proposals.

Well, the reciprocity agreement, I have always been led to suppose, was something which my hon. friend from Red Deer and those who sit around him, were particularly favourably disposed towards. Yet, notwithstanding his assertion that the reciprocity agreement was largely embodied in the Budget proposals, he registered his vote against the Budget. And again, he says:

> The Government has also imposed fairly steep direct taxation—

Another thing which was in keeping with what the hon. gentleman and his party were advocating.

> Here the Budget has a very great advantage over the amendment.

But for the purposes of practical politics, the hon. member for Red Deer could not and did not support the Budget, although in many respects, he pointed out its superiority to the amendment proposed. Again in the Budget debate in May, 1920, to which an amendment was moved by the member for Shelburne and Queen's (Mr. Fielding), I find these words of the hon. member for Red Deer. On page 2671, he is reported as saying:

> I should have hoped that the amendment would have contained more milk and less water under those circumstances, and would have been less a shilly-shally, temporizing and opportunist piece of print.

Now, that is hitting pretty hard in one sentence; I do not know what more the hon. member could have crowded into a

single sentence in the way of condemnation of the amendment. He describes it as nothing but milk and water, and a shilly-shally temporising opportunist piece of print. That was the language which he used to characterize the amendment proposed by the hon. member for Shelburne and Queen's on that occasion. Nevertheless, he proceeded to record his vote in favour of the said shilly-shally temporising milk and water amendment.

I should like to call the attention of hon. members and the attention of the people of the country, especially the farmers, to the fact that when the Government made the proposition in June, 1919, to lower the duties on farm implements, making very substantial reductions all along the line, the hon. gentleman from Red Deer, as well as the member for Marquette, and those who sit around him, and who have frequently stated in this House and to the country that all duties should be removed from farm implements, recorded their votes against that budget which was making more sweeping reductions on farm implements than had ever been made in the history of this country, from Confederation down to the present time, by any former Government. Their attitude was one of hostility and absolute inconsistency. Party politics is what they were playing just as they were playing party politics this session in asking this House to accept the reciprocity pact which, if accepted would raise the duty on farm implements, and which, in another breath and in their platform, they say should be free. Sir, I want to call your attention to this: The tariff under the Laurier Government on dutiable goods averaged 28¾ per cent; the tariff now on dutiable goods averages 23 per cent. The tariff prior to 1911 on all imports, dutiable and free, amounted to 16.5 per cent; the tariff now on all imports, dutiable and free, averages less than 15 per cent. The tariff on farm implements prior to 1911 averaged 20.18 per cent; the tariff on farm implements under the reciprocity pact averaged 17.33 per cent; and the tariff on farm implements to-day, averages 14.64 per cent.

But, Sir, while I call your attention to the fact that the tariff on farm implements is lower to-day than ever before in the history of this country, may I also call your attention to the fact that the leader of the Progressive party, the hon. member for Marquette (Mr. Crerar), is also president of the Grain Growers' Grain Company.

[Mr. Edwards.]

While objecting to this duty of 12½ per cent on binders, mowers, and reapers as being extortionate and as robbing the farmers, the company of which he is president, according to the sworn evidence of Mr. Rice Jones, their $13,000 manager, which evidence I have under my hand, collected in profits out of the pockets of the farmers 21.06 per cent on farm implements. Oh, consistency thou art a jewel! Here we have the president of the Grain Growers' Grain Company, the hon. member for Marquette, the leader of the Progressive party—and who in his own estimation and according to his own confession and the confession of his followers is here especially to champion the farmers—objecting to a duty of 12½ per cent on a mower, of 12½ per cent on a binder or a reaper, as robbing the farmer, and at the same time taking out of the pockets of the farmers over 21 per cent profit for his own company. These gentlemen may be able to get away with that sort of thing out west, but I want to assure them that so far as Eastern Canada is concerned—and I am perfectly certain I can say so far as the province of Ontario is concerned—he cannot pull the wool over the eyes of the farmers. They may be able to justify themselves in finding fault with the Government for imposing a duty which would mean —say, $31 on a binder, while at the same time they take out of the pocket of the farmer over $52 and put it in their own treasury in the way of profits for themselves; they may be able to justify themselves out west by objecting to the Government taking an average of $14.64 in the way of a tariff on farm implements while they at the same time take $21.06 profits for themselves on farm implements. They get over that very conveniently, or think they do, by telling the farmers in the West "Oh, you are partners in this concern and we are giving you a part of the profits—you will get that in the shape of dividends." Well, there is some of it that I believe they do not get in the shape of dividends. In one year their profits on implements, according to the sworn statement of Mr. Rice Jones, amounted to $272,215. Yet they believe in free implements or say they do. In one year their profits on lumber—another thing that they want free of duty —were $68,383. Then we have the statement from the hon. member for Marquette—

Mr. REID (Mackenzie): Will the hon. member give us the number of thousand feet of lumber that profit was made on?

Mr. EDWARDS: I do not know whether I can give it or not. It may be in the evidence of Mr. Rice Jones but I do not think that matters at all. My hon. friend and his leader have stood up in this House time and again and spoken of the aggregate profits made by the Monarch Knitting Company, the Dominion Textiles, and so on, and they do not divide those profits by anything; but when it comes to themselves, when their own foot is pinched, they say "Oh you divide the profit that was made by the number of bushels of grain, or by the number of feet of lumber we handled"; they do not for one moment, allow any other company in the Dominion to do the same sort of thing. The hon. member for Marquette, in answer to the member for Annapolis (Mr. Davidson), said he thought the duty on apples should be removed, and that apples should be free. But he and his company could soak the farmer to the extent of some fourteen or fifteen thousand dollars profits in one year in handling a few barrels of apples, and they could shove that into their treasury. In two years, 1916 and 1917, their profits amounted to $1,699,689, according to the sworn evidence of Mr. Rice Jones, and those were the two years when the war was on—war years, war profits, war profiteers! We have heard the word "profiteers" quite frequently from hon. gentlemen opposite. Now I want to show, Sir, that if hon. gentlemen opposite are justified i nreferring to any company in this country which makes a profit of 38 or 40 per cent as war profiteers, the company of which the hon. member for Marquette is president comes under that censure because according to Rice Jones' sworn evidence it made in one year a profit of 62.2 per cent, and in another year a profit of 44.9 per cent; and in the case of its New York subsidiary company—according again to the statement of Rice Jones, the $13,000 manager, corroborated on the floor of this House by the $15,000 president, the member for Marquette—on $100,000 invested in the New York Export Company it made in one year a profit of $530,000 or 530 per cent.

Mr. REID (Mackenzie): Hear, hear.

Mr. EDWARDS: Of course, I understand my hon. friend from Mackenzie is interested in that company and it gives him joy to think of the amount of money it has been able to make. Where did the hon. gentleman and his friends get this money? Every dollar that the Grain Growers Grain Company has made in the way of profits has come out of the farmer in one way or another. It has come in the way of profits on grain that they bought from the farmer, or it has come in the way of profits on goods of one kind or another that they sold back to the farmer, and the hon. gentleman says "hear, hear". Certainly, that pleases him. It is not going to please the farmers of the West as soon as they understand—and they will understand before very long—just how far these hon. gentlemen go. It is all right enough for a certain hon. gentleman drawing $15,000 salary, others drawing $13,000, others drawing $11,000, and others looking forward to drawing that much or more, to say "Hear, hear." This is the sort of thing that appeals to them. Mr. Speaker, I want to say right here that the Dominion Textile Company, the Canners Company, and some of these other companies which have been referred to by hon. gentlemen opposite, are not living up to their opportunities if they do not raise the salary bid and get the hon. member for Marquette to be president of one of these companies, the hon. member for Mackenzie to be manager and the hon. member for Red Deer to be secretary. Yes, Mr. Speaker, I venture to say the moment it is mentioned in the press of this country that the hon. member for Marquette has become the president of any one of these companies its stock will go up sky high.

Mr. LALOR: They are money makers all right.

Mr. EDWARDS: A man who exhibits to the degree that the hon. member for Marquette does the facility for feasting at the farmer's table and filching his spoons is a man who ought to make any company rich if he only had the management of it. Where did they get some of this money? In five years, according to the sworn testimony of Rice Jones, they took 367,000 bushels of grain out of the farmers in overages. They did that to protect themselves from a shortage of 3,800 bushels! That is what you might call playing "safety first." That was worth, according to the same authority, $418,000. The overage did not belong to the company, it did not belong to the president of the company or to those who were fortunate enough to have a block of stock in it, but it belonged to the farmers of Western Canada, and they took that money out of the pockets of those farmers and put it in their own treasury. Then they had an-

other chance to make money on the side in regard to screenings. Taking the six years, including the last years of the war, the average price of screenings was $8.84, but in 1918, when the hon. member for Marquette, the president of the Grain Growers' Grain Company, was Minister of Agriculture, he bought screenings from those various companies, and the hon. member for Maple Creek (Mr. Maharg) knows very well that the president of the Grain Growers' Grain Company got quite a lot from him at $35 a ton.

Mr. MAHARG: What year was that?

Mr. EDWARDS: 1918, I think.

Mr. MAHARG: They did not get any screenings from the company that I represent.

Mr. EDWARDS: Yes, they got 1,330 tons and paid $46,560 for them. That is once where the president of the Grain Growers' Comany put one over the Minister of Agriculture. I might also call attention to how anxious this special pleader for the farmers was to assist them. He commandeered the butter which was being made—not which had been made—at 46½ cents a pound at the very time when there were over 27,000,000 pounds of butter in cold storage in various parts of the country; and yet he posed as the great friend of the farmers.

Now, for political purposes, there has been so much misrepresentation on the other side of the House as to the attitude and policy of the right hon. Prime Minister on the tariff and he has been so frequently portrayed as a high protectionist, that I want to place on Hansard the words which the right hon. gentleman delivered in this House on May 25 last year. At page 2708 of Hansard for 1920 it will be found that in referring to the tariff he said:

> This is the tariff, and not higher, but lower than that adopted by hon. gentlemen opposite when they were in office under circumstances of far less urgent need. It is admitted to be a tariff which is lower than that which hon. gentlemen opposite unanimously supported all through those fifteen years. It is a tariff not designed to benefit the rich in this country; it is designed, so far as our own information goes—and it cannot be complete without investigation—only to give such measure of assistance as to retain within this country its industrial strength, and which does not alienate from this country a measure of the industrial strength that we have. We never can have a high tariff in Canada. We connat have a high tariff in Canada for the most obvious reasons. In the first place, a high tariff is unsound in principle in that it tends to eliminate one of the factors of competition, namely, foreign goods. Foreign goods should be allowed to enter into competition under fair conditions in this or in any other country. But the conditions under free trade or without protection are such that the foreign competitor has every advantage.

The principle enunciated in those remarks has been endorsed at various times and in almost similar words by the late Sir John A. Macdonald, the late Sir Wilfrid Laurier, the hon. member for King's, N.S. (Sir Robert Borden), the hon. member for Shelburne and Queen's (Mr. Fielding) and, I may say, by all other prominent public men in this country who lay any claim to statemanship. As against the opinions of these men we have a few free trade theorists who denounce protection as a vice. That is done repeatedly by the hon. member for Red Deer, by the hon. member for Marquette, by the hon. member for Brome and by others when they want to bolster up their free trade doctrines.

Mr. CLARK (Red Deer): What does the hon. gentleman say I have been doing?

Mr. EDWARDS: I will tell the hon. gentleman what he has been doing, and I do not think that it will sit very well on his stomach. These hon. gentlemen say, "If protection is a good thing, why not go the limit and make your wall so high as to exclude all goods?"

Some hon. MEMBERS: Hear, hear.

Mr. EDWARDS: Hear, hear. Then may I retort: If free trade is such a good thing, why not go to the limit and sweep away every vestige of protection at once? "Oh no," they say, "protection is a vicious thing, but for practical political purposes it is preferable to have a measure of political vice rather than complete political virtue." That is the attitude of hon. gentlemen just across the way.

Now, my hon. friend from Red Deer wants to know some of the things he has been doing, and I am very glad indeed, Mr. Speaker, to accede to his request, with the hope that the reminder may have a salutary effect upon him. I think one of the first speeches made by the hon. member for Red Deer in this House was in 1909. On that occasion he said that he had been in Canada, I think, only some six or seven years and that he was tilling one thousand acres of land. After six or seven years residence in Canada, Mr. Speaker, the hon. gentleman was the owner of one thousand acres of land and the honoured representative of the people of a part of this country. May I say, Sir, that in my estimation that was no small achievement and was infinitely

to the credit of the hon. gentleman. Not only so, but it was a tribute to the fiscal policy of this country under which it was possible for him to attain such marked success. Why, if the hon. member could accomplish all that under the accursed system of protection, to what lengths would he have gone had he remained in Great Britain? Is it too much to suppose that had he remained there under the placid influence of free trade he would have owned nearly all the little island and would at least have been Prime Minister of the United Kingdom? But he came out here; it was a loss to the Mother Country, but it was our gain. I hope the hon. gentleman will stay in this House for many years, but I sincerely hope he will change his views before very long and come round to sanity on political questions.

Now, the hon. member for Red Deer has not always been quite so strong for free trade as he apparently is now or has been for the last few years. He was first elected in 1908 and in the session of 1909, discussing the Budget, he said—you will find these words on page 4703 of Hansard:

> Whereas under what I still claim is a revenue tariff you have a series of surpluses under the able administration of the minister.

The hon. gentleman condemns as an accursed protective tariff a tariff which is very much lower than the one which he called at that time a revenue tariff, and which apparently met with his approval. Again in 1910 the hon. gentleman, discussing the Budget, used these words:

> The statement of the Finance Minister shows that we are steadily building up a great people in a great land with a great destiny and a great future, not by booms, not by fits and starts, but by slow, steady, sure and certain progress.

Well, now, I am not inclined to quarrel with a fiscal policy which enables us to do that sort of thing, and draws a tribute of that kind from so pronounced a free trader as the hon. member for Red Deer.

Mr. CLARK (Red Deer): Slow and steady.

Mr. EDWARDS: Slow and steady, and apparently it appeared to the hon. gentleman as being a very fine thing. Now a tariff for revenue is a very elastic term. It suited the hon. gentleman in 1909 and 1910; he thought it was a very fine thing for this country.

I would like to call attention to another matter along tariff lines. The hon. gentleman referred to the tariff of 1910 as a revenue tariff. He will not contradict me in the statement, that the tariff of to-day is a very much lower tariff than the one which was in force in 1909-10. The hon. gentleman says that during the fifteen years that the Liberals were in power they did not touch the tariff, or did not touch it in any way worthy of the name. He said that even in the reciprocity agreement the tariff was not proposed to be touched in any way worthy of the name. He said that the Liberal party went to sleep between 1897 and 1907 so far as the tariff was concerned and that hon. gentlemen supporting that party showed a wonderful patience in all those years while their friends were in power. Well, the hon. gentleman himself has exhibited that virtue about as well as any person who sat in this House during those years, for I do not find him on record as moving any resolutions at that time along the lines of his free trade doctrine. But I want to bring his attention to something else which is of more recent date. The hon. gentleman, according to the press, spoke at Timiskaming on March 13, last. I may say that in my estimation he used some of those forked methods which he objects to when used by the leader of the Opposition, but which he and his friends refer to as political strategy when used by themselves. Speaking at Timiskaming he said, as reported:

> They say there is no doubt about Clark. He is a free trader—the other fellows don't go so far, and we do not know how far they do go. Well, for purposes of practical politics there is not one whit of difference between myself and Mr. Crerar and Mr. McDonald, and the other members of the party on the trade question.

The "Mr. McDonald" is the hon. member for Timiskaming, who was affectionately referred to on that occasion, I believe, as "the sweet little cherub." Well there is something wrong with that cherub and with the other cherubs who sit in that particular party—there is something wrong with their wings. They have never seemed to be able to try their cherubs' wings in flying into the ethereal regions of free trade. "For the purposes of practical politics," he says, there is no difference between them. I do not know whether the hon. member for Red Deer is so weighted down with Cobden medals that he is afraid to try his free trade wings; he has never tried them in the form of a resolution to test the feeling of this House, that is certain. On that occasion the hon. gentleman referred to the Prime Minister in these words:

Mr. Meighen has been saying that there are only two principles possible before you, wanting to convey the idea that if the Progressives get into power in this country they are going to overturn everything all of a sudden. Well, let me disabuse your minds of anything of the sort. There is no progress that is worth the name that is not made a step at a time. I say these words to allay the fears of any here who may feel the Progressive party is going to go too fast, and I say it also to modify the hopes of any who may think that if the Progressive party gets into power you will have the millennium next day. You won't. It is not coming that way.

Mr. CLARK (Red Deer): Very wise language.

Mr. EDWARDS: Very wise language it may be, but it seems to me to be very inconsistent with the vociferous expressions of free trade opinion which my hon. friend voices on occasions. He denounces protection as a curse, but he says it would be wise to retain the curse for a while—to get rid of it gradually. One would naturally suppose that if protection was a curse and free trade a benefit, the sooner you got rid of the curse and acquired the benefit, the better it would be for the country. But my hon. friend says that is not the way to do it. "Protection is a curse, but don't you fellows think we are going to do away with it all at once; we will hang on to it for a little while." He says that protection makes the rich richer and the poor poorer, but he says also that if the Progressive party get into power they will continue for a time to make the rich richer and the poor poorer; they will not do away with a system which they condemn as bringing about that result. He says: Protection is a violation of sound economics, of sane reasoning and of elemental, common sense. But for practical political purposes, both he and his party are perfectly willing to follow a line of policy which is not sound economics, which is not sane and which is not good common sense. To argue that the proper thing to do is to eliminate a vicious thing by degrees, is to admit that a measure of political vice is preferable to complete virtue. I am reminded of the lines:

> Vice is a monster of so frightful mien,
> As, to be hated, needs but to be seen;
> Yet seen too oft, familiar with her face,
> We first endure, then pity, then embrace.

I am afraid the hon. member for Red Deer (Mr. Clark) is actually degenerating; he is becoming rather familiar with this vice; he wants to coddle it along now for practical political purposes. He is making his appeal now to the manufacturers of the country. I venture to guess that in certain parts of the West he would not use that kind of language at all; but in certain parts of Ontario and in certain parts of Quebec and the Maritime Provinces, it is good practical politics to play the other side of the game, to play, in fact, a double game. Yet the hon. member for Red Deer said on that occasion:

> I do not know exactly where the official Opposition stands in regard to this question of trade, but we of the progressive party are not in any doubt as to where we stand.

For practical political purposes, I can tell them just where they stand. They stand exactly where the leader of the Opposition (Mr. Mackenzie King) stands—all things to all men, ready to play the game of free trade when it suits their constituencies to do so, and ready to pander to the manufacturers where they think they can get a few votes by that means. That is where they stand; yet they pose as great political purists, and you would think angels' wings were almost sprouting on their shoulders. Not one of them has yet dared to try out those wings in testing this House as regards the theories which they profess. They seem to be afraid of one another. They denounce protection in that degree; but they seem to be afraid to put the matter to the test for fear that some persons will not see the thing just as they do. So they carry on this policy of deception.

The hon. member for Shelburne and Queen's (Mr. Fielding) undertook this afternoon to speak for his party and also to speak for the party across the way. He said that the Liberal party did not favour free trade and he said that the Progressive party did not favour free trade. I do not know whether he has been having any little private conference with the hon. member for Marquette (Mr. Crerar) before making that statement or not. He went on to move an amendment which certainly endorses the principle of protection. The principle of protection has been denounced in the strongest terms by the hon. member for Marquette and the hon. gentleman who sits to his left, the hon. member for Red Deer. We will see what these hon. gentlemen will do when it comes to a question of voting for the amendment or for the Budget proposed by the Government. I have an idea of what they will do. I think both of those hon. gentlemen will, as they have done time and time again in this House, talk on both sides of the question until no person can tell exactly what they are going to do except by judging them by past experience, and then

they will wind up by voting for anything which is moved against this Government. They think that they can pull the wool over the eyes of the people in this country and that the people will swallow that sort of thing. I can tell my hon. friends that the people will not do that. The hon. member for Shelburne and Queen's has made a statement regarding the Liberal party not favouring free trade, and he has also made the same statement in regard to the party led by the hon. member for Marquete. I do not know how you are going to judge a party except by the platform issued by that party and by the atterances of the acknowledged leader or leaders of that party. I want to place on Hansard some statements made by the hon. member for Marquette, who is leader, for the time at least, of the so-called Progressive party. Last session, in this House, the hon. member for North Perth (Mr. Morphy) put this question to the hon. member for Marquette:

Mr. Morphy: The hon. gentleman has been quoting authorities in favour of free trade, but is he himself in favour of free trade for Canada?
Mr. Crerar: I will say this, that the fiscal policy for Great Britain, in my judgment, would be a very admirable one for Canada.

We all know what the fiscal policy of Great Britain is. It is a free trade policy, and it seems to me that the hon. member for Marquette, the leader of the Progressive party, in making that statement, announced himself as a free trader. I should like to quote one other observation which he made on the same occasion and this is to be found in Hansard of May 31, 1920, page 2908:

I have never been able to see the sense of creating, for instance, a cotton industry in Canada—which I shall refer to in a moment—and which is entirely an artificial industry in this country.

I quote that because it is in line with statements made by the hon. member for Shelburne and Queen's this afternoon. If those words mean anything at all, they mean that the hon. member for Marquette, if he had his way, wuold wipe out every cotton industry in the Dominion of Canada. If those words do not mean that, I do not understand the English language. I do not know any other construction that you can put on his words.

10 p.m.

Free trade, as they have it in England, will be, the hon. member for Marquette says, a fine thing for this country. I represent a rural constituency, and I want to discuss the question of free trade for a few minutes as to how that policy as advocated by the hon. member for Marquette would affect the farmers of this country if it were put into effect. I want to call the attention of the House to a statement made by Cobden in 1844. I trust the hon. member for Red Deer will forgive me if I undertake to quote some of those illustrious gentlemen whom he has quoted so frequently in this House. I do not suppose he wants a monopoly of the quoting of their names and utterances. At all events I will run the risk of quoting them.

Mr. CLARK (Red Deer): I forgive the hon. gentleman freely.

Mr. EDWARDS: My hon. friend's generosity is simply marvellous. I thank him very much. In 1844, Cobden said:

Free trade in corn is the very way to increase the production at home and stimulate the production of the poorest soils by compelling the application of more capital and labour to them. We do not contemplate deriving one bushel less corn from the soil of this country.

Cobden proved to be a mighty poor prophet. Thompson was more honest than his companion, when, in his "Free Trade Catechism" he wrote:

It may be information to the home agriculturists to state that "there would be no physical impossibility in living without them altogether."

Some hon. members in this House seem to think the same now. In 1853, there were 4,200,000 acres in wheat in the United Kingdom. In 1910, there were 1,856,000 acres. In 1870, Great Britain and Ireland produced 13,500,000 quarters of wheat; in 1910, only 7,000,000 quarters. Cobden's prophecy was evidently a very poor one. Taking the 105 registration districts which, in 1911, contained no portion of an urban district, I find that in the fifty years between 1801 and 1851, the agricultural population of the United Kingdom increased, and that in the next fifty years it decreased. There was a steady increase in each decennium under protection and a steady decline in each decennium under free trade. I would like the hon. member for Marquette, particularly to note that, because he has gone on record several times as saying that the decline in rural population in Canada is due to our policy of protection. Each census of the United Kingdom for the past forty years shows a decrease in the acreage of arable land and a corresponding increase in the acreage of grass land. This retrograde movement in agriculture has caused British statesmen considerable alarm, and has led to a very careful and special investigation. The

report of the Land Inquiry Commission, referring to emigration, says:

In 1900 there were 9,000 male agriculturists who left the United Kingdom for non-European countries. This figure rose steadily up to 1907 when 26,000 emigrated and then after dropping in 1908 to 15,000, rose to 23,900 in 1912. In the year 1912, about one in every fifty of our male agricultural population found their prospects in the United Kingdom so poor that they decided to leave the country altogether. And it is generally the most capable and energetic who go.

My hon. friend from Red Deer is himself a proof of the correctness of that last sentence. In 1906 a report was made to the British Government on the decline of the agricultural population of Great Britain, from which I quote:

The reduction in the number of persons returned as engaged in agriculture in Great Britain has been one of the most prominent features of the census returns for the past fifty years. In almost every county of Great Britain a reduction has taken place during the past twenty years.

Going back fifty years brings us to about the time when free trade was adopted in the Old Country. One official, writing in the report in regard to a 400-acre farm in Somerset, says:

The rent of the farm in 1866 was £600 but it was cheaper then at that sum than it is to-day at £100.

I want to give an expression of opinion voiced by Sir A. Boscawen, Parliamentary Secretary to the Ministry of Agriculture in Great Britain. Speaking in the British House of Commons last December, and referring to agricultural depopulation, particularly since 1897, he said:

Free imports which had been introduced some years before began to have their effect. Corn was brought over and prices tumbled and farmers found it no longer possible to keep their land under the plough. Many bankruptcies occurred amongst farmers. It is estimated that £800,000,000 of capital, landlords and farmers were lost, during the period between 1897 and 1906.

He also said:

In 1913 we were importing one billion dollars of food stuffs which could have been grown in this country.

I commend these words from this gentleman holding a high position in the British Government to the hon. member for Marquette and those who think with him. The hon. member for Marquette says that the free trade policy of England would be an admirable thing for this country. I am trying to point out what effect it has had on agriculture in the Old Country, and I am willing to let the farmers of Canada decide whether it would be good for this country.

In 1917 the British Parliament passed the Corn Production Act, which also included provisions as to agricultural wages and rents. By that Act a minimum price for wheat and oats was fixed for five years on a downward scale, running from sixty shillings a quarter for wheat and thirty-eight and one-half shallings a quarter for oats in 1917, to forty-five shillings and twenty-four shillings respectively in 1922. That is what they calculated on, but in 1919 it became evident that the fixed price could not be on the downward scale, and they fixed the minimum price of sixty-eight shillings a quarter for wheat and forty-six shillings a quarter for oats.

In December last the Agricultural Act was passed in Great Britain; that is bringing matters pretty well up to date. It was not passed as a temporary, but as a permanent measure. It guarantees a minimum price for wheat and oats, and confers autocratic powers on the Minister of Agriculture. For instance, he can go on a farm and say: I do not think you are farming this land right; I want you to appoint another manager; I want you to make certain repairs and to put in certain drainage. Not only has he the power to do that, but he can go further and if the soil does not produce what might reasonably be expected of it, he can impose a fine on the farmer. And the hon. member for Marquette says that that would be an admirable policy for Canada! I would like to see him undertake to enforce that kind of a policy among the farmers of this country.

Mr. CLARK (Red Deer): Is my hon. friend sure that that Act has passed?

Mr. EDWARDS: Yes. It passed the House of Commons by a big majority.

Mr. CLARK (Red Deer): But not the House of Lords, I think.

Mr. EDWARDS: My hon. friend is often wrong, and he is wrong this time. It passed the House of Commons by a vote of almost two to one, and it also passed the House of Lords, but not by such a large majority. Speaking on this Agriculture Act last December the Minister of Agriculture, Lord Lee of Foreham, said:

The national returns show that since 1910 there has been a reduction of over 450,000 acres of arable land, and since 1870 a reduction of over 3,000,000 acres.

This is the policy which the hon. member for Marquette says would be a fine one to adopt in the interests of the farmers of this country. The Minister of Agriculture of Great Britain said:

I can conceive that self-interest might possibly dictate the conversion of the whole of England into a grazing ranch, but the national need would be ignored and the occupation of lands involves national obligations as well as individual interests.

May I also quote from Viscount Milner, Secretary of State for the Colonies? He says:

"I believe we are very near getting to a point where our agricultural industry will be entirely secondary and our agricultural population reduced to a most dangerously low proportion. I look with real alarm at the possibility of the agricultural people of this country being reduced to a perfectly inconsiderable and negligible minority."

Another quotation from Sir A. Boscawen:

"Free trade has made us dangerously dependent on foreign countries for our food supplies and has depopulated our country districts and massed the people more and more into our big towns."

These are expressions of opinion which cannot lightly be passed over. In this connection may I quote from the speech made by the hon. member for Marquette last year. He said:

"My hon. friend the Prime Minister (Mr. Meighen) also speaks of the decline of agriculture in Great Britain, and he attributes that decline to the fact that Great Britain is a free trade country. If my hon. friend seeks a reason for the decline of agriculture in Great Britain, if there has been a decline, he will find it in the land policy of the Old Country, and not in the free trade policy that obtains there. When my hon. friends says that agriculture is declining in Great Britain because a free trade policy has been in operation there for the past 70 years, he is unquestionably very wide of the mark."

I have given you not mere haphazard opinions, but the opinions of members of the British Government up to as late as December of last year, and their opinions do not agree at all with the opinions of the hon. member for Marquette.

I want to place a few more statements on Hansard in regard to this question of free trade, and I do so because the hon. member for Red Deer has, for the last ten or twelve years, ever since he became a member for this House, been voicing his free trade opinions and quoting British authorities and all that sort of thing, in an endeavour to influence public opinion in this country. He has a few disciples who, in somewhat weaker voice, echo his remarks; and for that reason, because I believe his arguments are fallacious, and because he has been putting before the country a lot of free trade folly, I want to call the attention of hon. members to a few further facts in regard to the way in which this policy has worked out in Great Britain, and the effect it has had upon agriculture in that country.

In 1860 Great Britain had 4,019,735 acres sown to wheat which produced 13,135,124 quarters, and her imports of wheat and flour were 7,364,439 quarters. In 1914 Great Britain had only 1,904,932 acres in wheat, which produced 7,804,041 quarters, and their imports were 27,509,031 quarters.

In 1870 Great Britain had 24,092,075 acres of arable land and 22,085,295 acres in pasture. By 1914 the arable land was reduced to 19,414,166 acres and the pasture land increased to 27,349,650 acres. Between 1871 and 1911 the number of farmers and farm employees had decreased by 684,256.

In 1870 the average prices were: Wheat 46/ 11d. per quarter, barley 34/ 7d, oats 22/ 10d., beef 4⅝d. per pound, mutton 5¼d. per pound, wool 16¾d. per pound.

In 1914 the average prices were: Wheat 34/ 11d., barley 27/ 2d., oats 20/ 11d., beef 3⅜d., mutton 4d., wool 1/ ¾d. (12¾d.) per pound.

The above figures show just how agriculture has declined in Great Britain, and what its position was in August, 1914. Why was it that British agriculture had been declining and its output dwindling, and cheap food from overseas playing an increasingly dominant part in supplying the needs of the people, while the exact opposite was taking place in Germany, a country that possessed, on the whole, a poorer soil and a less favourable climate? I wish to quote, in this connection, the words of Mr. T. H. Middleton, C.B., Assistant Secretary of the Board of Agriculture of Great Britain. He says:

"It is not possible to resist the conclusion that it was the economic policy adopted by his country that prevented the German from following the methods of the British Farmer. The agricultural policy adopted by Germany was indeed extraordinarily successful in restoring confidence and emboldening farmers to resort to intensive cultivation. The main value of the tariff policy to German agriculture was the sense of security which it created in the farmer. It was the conviction that he was essential to the community; and it may be added that it was the knowledge that his grain was not wanted, and that his fellow countrymen did not depend upon his exertions that led the British Farmer at the same period to cut down expenses and reduce or at least fail to increase the productivity of his land."

Now, that is the situation. May I just refer to one industry other than farming? If free trade is a policy which cannot be assailed on the ground of unsoundness, then, Mr. Speaker, it seems to me that inasmuch as Great Britain had, at the time of adopting free trade, a lead in manufactur-

ing over any other country in the world—I do not think that any one will question that fact—and if protection was a bad policy, and one that would operate to the detriment of the country that adopted it, then Great Britain should be in a vastly better position to-day, in regard to manufacturers, than she is. Inasmuch as Great Britain, at the time she adopted free trade, had a start over every other country in manufacturing, surely, if her policy was right, she not only should have maintained her lead, but should have increased it.

Let me refer to one industry. In 1880 Great Britain produced 8,000,000 tons, Germany about 3,000,000 tons, and the United States about 4,000,000 tons, of pig iron. By 1888, the United States had forced Great Britain into second place, and by 1902, Germany had forced Great Britain to take third place. True, free traders may say that between 1880 and 1910, British production of pig iron had steadily increased from 8,000,000 to 10,000,000 tons under free trade. In answer to that I say that in the United States, in the same length of time, the production increased from 4,000,000 to 27,000,000 and in Germany from 3,000,000 to 14,500,000 tons—in Germany and the United States, under a policy of protection, and in Great Britain, under free trade. Mr. Speaker, we cannot get away from this fact: Great Britain, under her free trade policy, has been forced by her own fiscal system to pass remedial legislation for the benefit of the farmers of the country. Under free trade agriculture has been ruined in Great Britain to such an extent that to-day that country is obliged to pass legislation guaranteeing the prices of certain commodities to the farmers. She has to put her hand into the public treasury in order to subsidize the farmers in the growing of certain products, and that is the policy which the hon. member for Marquette says appeals to him as one that would be in the interests of the farmers of this country.

Now, Sir, the hon. member for Marquette has referred at various times to the province of Ontario, which he has misrepresented, and for that reason I want to place on Hansard some facts in regard to that province. I take my facts from a source which the hon. member for Marquette will hardly question on the ground of reliability. I take them from a report issued by the Drury Government under the imprimatur of the Hon. Mr. Manning Doherty, the Minister of Agriculture in that Government. Between 1898 and 1908 the number of farms in Ontario increased from 177,000 to 183,000, and the mortgages on farms and farm stock decreased by over $65,000,000; while in the same time the number of farms in Michigan increased from 175,000 to 178,000, and the mortgages on farms and livestock increased by $79,898,000. The state of Michigan had no tariff barriers to keep the produce of its farmers out of the big centres of population on the other side of the line. Now, comparing 1919 with 1909, Ontario shows an increase of 441,758 acres in assessed land. It shows 640,670 acres increase in cleared land, and increase of 549,803 acres in slash land—that is land partly cleared—a decrease of 267,025 acres in swamp or waste land—showing that that land had been re-claimed. Every county in the province of Ontario, except three, shows an increase in the acreage cleared in the last ten years, and there has been a decrease in the number of chattel mortgages against farmers from 6,816 in 1899 to 3,457 in 1919, the total decrease amounting to $290,583. The acreage under all field crops increased by 812,091 acres in the ten years, and the value of products by $238,077,019. Ontario in the ten years shows the following increases: In the value of land $167,978,000; buildings $128,958,000; implements $59,519,000; livestock $511,315,000; total $867,772,327. Remember these are increases in the last ten years, a showing unequalled, I venture to say, by any state in the American Union. In addition to the value of livestock, let me add that the horses, cattle, sheep, swine and poultry sold or slaughtered in 1919 had a value of more than 85¼ million dollars in excess of that of 1909.

Now, Sir, I want to invite your attention just for a few minutes to some figures, which I will place on Hansard, along this line in regard to the United States—figures which are to me very significant, and I will promise the House not to be very much longer. I want to say that there was an increase in the number of farms in the United States between 1900 and 1910 of 624,130. Between 1910 and 1920 there was an increase of only 88,496 farms. Mr. Speaker, will you please give your attention to this fact, that out of forty-eight states in the American Union, twelve showed a decrease and thirty-six showed an increase in the number of farms in 1910 as compared with 1900. Now note this fact: In the census of 1920, twenty-five of the forty-eight states show a decrease in the number of farms, and twenty-three an increase in

the number of farms, as compared with ten years ago. It will perhaps be of special interest to the people of Ontario to know that the states of New York, Pennsylvania, Ohio, and Michigan had 17,051 fewer farms in 1910 than in 1900, and that these same states show a further decrease of 65,235 farms in 1920 as compared with 1910—that is a decrease of 82,286 farms in those four states in the last twenty years, and they are right close to the big centres of population. The people of Quebec and the Maritime Provinces may be interested in the fact that the states of Maine, New Hampshire, Massachusetts and Vermont had 2,747 fewer farms in 1910 than in 1900, and a further reduction of 17,741 between 1910 and 1920. Add to the eight states I have already given you, the states of Connecticut, Delaware, Maryland, New Jersey, Rhode Island, Illinois, Indiana and Iowa, which show a reduction of 26,711 farms between 1900 and 1910, and a further reduction of 50,710 between 1910 and 1920, and you have the startling fact that in the sixteen states I have named, and which are close to Canada, there are 192,110 fewer farms to-day than twenty years ago, and that the big part of the reduction has taken place in the last ten years. I do not think we need wonder, Mr. Speaker, that the United States Congress has seen fit to introduce an emergency tariff Bill for the protection of the farmers of that country. But, Sir, I want to call your attention to another fact. Not only do twenty-five of the fourty-eight states show a reduction in the number of farms, but they show a decrease in the farm acreage and in the improved acreage amounting to millions of acres in the aggregate. The farm mortgage indebtedness represents a higher percentage of the actual land values than it did ten years ago. I want my hon. friend from Marquette, when he is trying to make an argument to influence the farmers of Ontario and the people of this country by trying to make them believe that they have abandoned farms in Ontario, to consider the figures that I have given and compare the states just across the line with the province of Ontario. I may say, Mr. Speaker, and I give it to you as my firm conviction—although I have not gone into the figures—that I believe, in so far as farm acreage and improved farm acreage are concerned, the province of Quebec will make a better showing in the last ten years than did the province of Ontario in that regard.

I want to call your attention to a very significant fact. When I found that twenty-five of the states on the other side of the line showed a decrease in the number of farms I naturally began to look around to see how matters stood with the states just across the line from Ontario. I followed that up and I found that with possibly two exceptions, speaking from memory, all of the twenty-five states which show a decrease in the number of farms in the last ten years are northern states, are states which have a climate similar to the climate that we have in Ontario, Quebec and the Maritime Provinces. The states which show an increase in the number of farms and in the improved farm acreage are the states of California, Oregon, Washington, Texas, North Carolina, Virginia, and so on—those states which have a decided advantage over the northern states in that they do not have a winter to contend with. It is impossible for the United States Government to draw a line between those states which have a climate similar to ours, and those states in the south which have a mild climate, and place a duty on the products of those southern states as a means of protecting the producers of the same articles in the northern states. They cannot very well do that. But can we get over the significance of the fact that the states which show an increase in the number of farms and in the improved acreage are those which do not have a winter to contend with, and that those states which are in the north and which have a winter —states like Ohio and Illinois, and no person will question the fertility of the soil of those states—show a decrease in the number of farms and in the improved acreage.

What is the conclusion? That the farmers of those states cannot compete on even terms with the farmers who are more advantageously situated in the southern part of the country. Now, while the United States cannot put up a barrier against the farmers of the South, we are in the position of being able to protect our farmers from the unfair competition of their rivals in the southern and southwestern states where they have the advantage of a mild climate. Our farmers can produce only one crop a year; there they produce two or three crops annually. Our farmers and those of New York, Pennsylvania and Michigan are in the same position in that they have to spend thousands of dollars on barns and stables to protect their stock

during the winter months, while the stock of the southern farmers is roaming outside all the winter. That is a capital investment which our farmers must get a return on. Furthermore, they have to spend more money in this northern country in houses and clothing to protect themselves against the winter weather than have their competitors in the states of Texas, Oklahoma and Oregon; in fact, in those states the mild winter renders unnecessary this extra expense.

And yet my hon. friends opposite announce as their policy that if they have the opportunity they will oblige our farmers to compete on even terms not only with the farmers of the southern and southwestern states, but with those of the Argentine, Brazil and other countries where they have the double advantage of cheap labour and a mild climate. I cannot conceive of anything more unfair and unreasonable than such a policy. The hon. member for Shelburne and Queen's (Mr. Fielding) gave us to understand this afternoon that the Liberal party is not a free trade party. Other hon. gentlemen in order to gain votes from those interested in the industries of this country say that they will not at one fell swoop do away with tariff protection for manufactured goods because that would cause too much economic disturbance; while they believe in a policy of free trade they assure manufacturers that they will introduce it gradually. Mr. Speaker, have the manufacturing concerns in the Dominion as much money invested in their factories as the farmers have invested in their land, buildings, stock and implements? If free trade is such a good thing, why is it proposed only to bring it in gradually in regard to manufactured articles, but at one fell swoop so far as farm products are concerned? I maintain that their attitude is most inconsistent and most unfair.

In this period of reconstruction, Mr. Speaker, the man who is first going to feel the decline in prices is the farmer. That is quite evident to-day. I take up the paper and find that butter is offered in the city of Montreal at 25 cents and a fraction a pound. And right here I want to say, as one representing an agricultural constituency, that I am not at all satisfied with the Budget in so far as butter and oleomargarine are concerned. It is absolutely illogical and unfair to allow oleomargarine to be imported free of duty while four cents a pound is imposed on butter. If you say, "We have a duty of 4 cents a pound on butter for the protection of the farmers who produce that article," then how in the name of common sense can you say that it is proper to allow oleomargarine to come in without any duty at all? It certainly takes the place of butter. Last year it displaced butter in this country to the extent of some seven million pounds imported from the United States.

Hon. gentlemen opposite talk sometimes about the United States being the great natural market for the surplus farm products of Canada. That is absolute nonsense, and if instead of preparing theses on free trade hon. gentlemen opposite would take the trouble to acquaint themselves with certain facts in regard to farm production in the United States and in Canada they would not make such a ridiculous statement. The natural market for our surplus farm products is not where they have a greater surplue of those farm products than we have, but in those countries where they lack those products. On that basis I want to say that the United States is not the natural market for surplus Canadian farm products. Last year we had a surplus of 17,470,000 pounds of butter, but the United States exported over 34,400,000 pounds of butter and oleomargarine, and they supplied us with 7,352,000 pounds of that butter and oleomargarine, for which we paid them $2,275,547. When I see the farmers of the Dominion hunting all over God's creation to find a market for their surplus butter and finally selling it to some thirty-five different countries, practically greasing the whole globe in order to dispose of that surplus, and at the same time the United States is allowed to export to this country butter and eleomargarine to the extent of millions of pounds, and forcing our own butter off the home market, I state frankly that if I were handling the tariff I would say, "The duty on butter is not as high as it ought to be," and I would increase that duty. The same thing applies in regard to eggs. The United States had a surplus of 25,183,000 dozen and sold us 7,000,000 dozen, for which we paid them $3,333,658, although we had 5,800,000 dozen of our own eggs to dispose of. My conclusion is that when we were forced to hunt for markets all over the globe to sell those eggs, and at the same time imported 7,000,000 dozen from the United tates, our duty on eggs is not as high as it ought to be for the protection of our farmers. Canada's surplus milk last year amounted to $2,500,000 worth, as against the United States

surplus of $59,204,000. Does that look as if the United States provides a market for our milk? They ship milk in here in the form of cheese and condensed milk. Canada's surplus meat last year amounted to 260,100,000 pounds, and we had to look all over the world to find a market for it; at the same time the United States had a surplus of 1,663,700,000 pounds. Yet notwihtstanding our own surplus of meat and dairy products for which we had to find a market in a great many countries, the United tates sold us last year over $10,000,000 worth of meat and over $7,790,000 worth of dairy products. I argue from that condition of affairs that the duty at present is not as high as it should be in the interests of the Canadian farmer who is producing these articles. The Canadian farmer is entitled, just as the Canadian manufacturer is entitled, to the first chance to sell his products in the home market. To tell him that he must compete on even terms with the surplus products of the world is to disregard the climatic conditions under which he operates and to treat him most unfairly. To put into effect the policy advocated by the Liberal party in this House, and by the Progressive party as well—for the two policies are the same in regard to making natural products free—to put that into effect will prevent the Canadian farmers from getting the highest prices for anything that they have to sell. Just as soon as prices in Canada become high enough to attract these products from other countries, if our doors are open they will come in and take advantage of those prices, while the countries from which they come will keep up their tariff walls against us. If Australia has surplus eggs to sell and we admit them into Canada free of duty while Australia charges a duty of 12 cents a dozen on eggs going into their country, is that fair? Is that reasonable? Is that honest treatment for the farmers of this country? In my estimation, it is not. I know that the leader of the Opposition is the father of this idea. I know that he it was who some years ago, after making a careful study of the matter, after noticing that the farmers were getting such prices as 16 cents a pound for butter, 7 cents a pound for cheese, 6½ cents a dozen for eggs, 18 cents a bag for potatoes, and so on—he it was who proposed the policy of opening the doors of Canada and letting the surplus products of the world come into this country free so as to bring the prices down still lower. He said at that time that the country was on the verge of a revolution because of the high prices the farmers were getting for their products. He advocates the same thing today, namely, that our doors should be open to allow the surplus products of the world to come in here while other countries retain their tariff walls against us. Mr. Speaker, I protest against that as most unfair to the farmers of this country. The farmers do not ask any favour, but they do ask for a fair deal, and a fair deal in my judgment they are not getting at the present time. After all, the great producers, the great manufacturers of this country are the farmers, and they more than any other class of the community deserve to be protected in their own home market. They more than any other class have built up that home market and they should be given the first place in the matter of selling their products in their own home market.

Mr. Speaker, in closing, permit me to express my appreciation of the courtesy and attention with which hon. members of the House have listened to a speech which has been somewhat more lengthy than I anticipated at the start.

Mr. P. R. Du TREMBLAY (Laurier-Outremont): Mr. Speaker, at this late hour I shall not undertake to make any extended remarks on the Budget. The hon. member who has just resumed his seat (Mr. Edwards) told us that he favoured the establishment of a permanent commission to revise the tariff. A couple of years ago I made that suggestion to the Government, but I must say that it seemed to fall on deaf ears. At that time I thought it would be a good thing, but I have changed my mind; I believe that the Government should take the responsibility in respect to tariff changes. But it does not appear to be the intention of the Government to make any change in the tariff, and that is why I think the reason given by the Minister of Finance (Sir Henry Drayton) in his able speech of yesterday evening is hardly the real reason for the Government not making any change in the tariff. I really think the Government are afraid to touch this question, in view of the fact that an election is coming very soon, or within a year or so. The Government would like to have the support as far as possible of the big interests, and, on the other hand, they want to make the consumers of the country believe that they are doing something in the way of lightening their burdens.

I do not think that the suggestion of the Finance Minister that the action of the

United States in connection with tariff changes would affect this country is a very sound one. At the time when the speech from the Throne was delivered the Fordney Bill was before the country and it was known what that Bill contemplated and what its effect would be upon Canada. So that the reasons given by the minister and by the hon. member for Frontenac, are, in my opinion, only apparent reasons; they do not meet the real issue. During two or three sessions tariff changes have repeatedly been promised. Hon. gentlemen all remember that two or three years ago we were to have this revision of the tariff. Last year it was arranged that a special commission should travel about the country and obtain information from the different interests upon which tariff revision could be based. The Minister of Finance presided at those meetings in such a way as to merit the appreciation of the people; he had a pleasant trip throughout the country, but I am sorry that he did not come to the conclusion to give the country the benefit of that work and those conferences in the form of tariff changes at this session.

I wish to congratulate the minister for the moderate changes he has made in the tariff as outlined in his Budget speech. I really think the minister has shown a laudable desire to assist the business interests of this country. I know that he likes to hear the other man's views; he likes to learn, and he is always very desirous of doing the best he can for this country. But I know, at the same time, that he has the thankless task of collecting as much money as possible so that his colleagues in the different departments may spend it as quickly as it comes in. I do not intend to hold him responsible for all the sins of Israel, for all that this Government has done. He is rather a young man in politics and before he came into the Government almost all the wrong was done. There is not much change in the present legislation. It is moderate. I must say that I approve dropping the business tax and I will say that I do not disapprove the other changes of minor importance as regards liquor and so on. It is, however, because the changes are rather too moderate that I would complain. As I said a minute ago, the people at large had been expecting a general change in the tariff. There is in this country the feeling that the Government represents the big interests, the rich people; that it does not sufficiently protect the poor consumer, and the people thought that at this session something would be done towards reducing the high cost of living. That has not been done. Although there is not much change, the wrong that I spoke of a minute ago still remains; the heavy debt contracted by this Government, the unfair, unjust taxation imposed on the people during the last five or six years still exists, and if you go to any place in the country to-day, you will find a feeling of unrest.

[Mr. DuTremblay.]

It is, perhaps, no secret to the Government that it will have difficulty in finding, amongst business men, many who approve its conduct in administering the affairs of the country, especially since the end of the war. Nearly all business men in Canada are against the Government, and when the elections take place, the Government will fare badly.

What is the condition of affairs to-day? I was speaking of the business men especially, because members of the Government often speak about the business interests of this country. The general feeling throughout the country is really one of discouragement, because the people feel that the Government is watching them in the enterprises that they undertake. The people have to pay heavy taxes in customs and excise, on cheques, on notes, and on many necessities of life, and then if they dare to make a litle money by their efforts or energy, they feel that the Government is watching them, ready to take them by the throat and take away part of their little profit by means of the income tax. This is a time when individual enterprise and energy should be given encouragement.

The Minister of Finance told us that, in round figures, the public debt of Canada was about $2,350,000,000. I do not know if this huge sum of money comprises the obligations of the different railways such as the Grand Trunk and the Canadian National railways. A debt of $2,350,000,000 means a debt of $300 per capita for every man, woman and child in Canada. If you take a father with his wife and three children, that means that he owes $1,500 for himself and his family. If you take into consideration what the people owe for their provincial debt, for their municipal debt, you will come to the same conclusion as thoughtful business men who realize that the country is not on the road to prosperity. The proposed expenditure for next year, according to the minister, will be about $435,000,000. We must add to this obligations that we have to meet for the railways, obligations which I understand are in the neighbourhood of $137,000,000. That makes a total

11 p.m.

of $582,000,000. As the revenue supposed to be available is $372,000,000, you have really a deficit of $210,000,000 to meet this year. My hon. friends opposite may say to me: "Well, it is only for this year that we have to meet these extra obligations for the railways." But according to men who know, and according to the way the situation appears to-day, we shall have a recurring deficit of between one hundred and two hundred million dollars on account of railways.

The Minister of Finance, in his very learned and capable speech, referred to the golden times of the Liberal party, which assumed office in 1896, and whose long and prosperous administration we recall with pleasure. Let us compare the condition then with the position in which the country is now. At that time the public debt of Canada was about $340,000,000 or about $42 per capita. That amount represented all the money that had been spent to build up the country, by way of subsidies, to assist the construction of railways, and expenditures on post offices, wharves and other public necessities. What do we spend this year? $582,000,000, or $73 per capita. That is to say, we are spending this year for the administration of this country two-thirds more than our entire debt in 1911. It is no use of hiding our heads in the sand like the ostrich; we may as well look the facts in the face. We are to-day spending nearly twice as much as the entire national debt in 1911. That is why the people, and very properly so, do not think our financial position is very good, and why they are calling for a halt on the Government spending millions as if they were thousands. I am pleased to see the Prime Minister in his seat, also the Minister of Finance. I want to tell them that that is the message of the people of the country and of the business men of Montreal.

The Government may ask me what I suggest as a remedy, and in reply to my suggestion they may say, as they usually do: Oh, but our present condition is the result of the war; we have been through a war, and we have had to spend millions on this and that. I would very humbly suggest that if the Government are in earnest, if they are strong enough, if they are sufficiently independent of strong "pull," if they really want to do something for the good of this country, if they really want to put aside patronage and adopt some other method of administration, there is still hope for Canada—I will not say, of getting on a sound business basis—but of being able to make a fresh start and to gradually pay off her debt.

I would suggest that the Government should give up now and completely their policy in regard to the railroads. Give the railroads away. A proposition was made some days ago by the Canadian Pacific. I do not say that that proposition was the best that could be made, but if it is necessary, pay the Canadian Pacific to take these roads over, because the Government will never make money out of them. They will always be a burden. Why? Because you have too much expenditure on management for instance. It is nothing new that I say. Any capable railway official will tell you that parallel railways are a big expense to a country and must be operated at a loss. Take, for instance, a district that I know well, between Ottawa and Montreal. You have every day of the week about ten trains coming over the Canadian Pacific from Montreal to Ottawa, about seven over the Grand Trunk, and four over the Canadian Northern. Why is this? From information that has been given to me I believe that ten trains would cover this whole district that is to-day served by over twenty. It is this duplication that adds to the expense, and we know that in winter the expense is especially heavy. So I say it would pay the Government to get rid of these roads, but I do not suppose the Government will do it, and I will tell you frankly why. The Government wants to keep the roads on account of the patronage it can exercise in connection with them. The Government may say that there is no more patronage, but the people of this country know to the contrary. It is no use trying to hide the fact. The people know why the Government want to keep and operate these railways.

I could say the same thing with regard to the Canadian Government Merchant Marine. Why not sell these ships? You will lose probably about $20,000,000 if you sell this year, but it is better to take that loss now than to continue your losses from year to year. The report of the Minister of Marine and Fisheries (Mr. Ballantyne) issued in December last is not very encouraging. I know him well; I know he has good intentions; I know he did his best, and that under the present conditions he could not do much better. It is not his fault; it is the trade conditions in this and other countries. Probably the

minister made a mistake in not taking our advice last year when we told him to sell. That was the time. If he had sold the vessels last year the Government would not have lost one cent, but the vessels were kept in the hands of the Government just for patronage.

What are the facts with regard to our merchant marine? The Government has built about 47 ships, costing about $50,000,000, borrowed from this country on Victory Bonds, costing us 5½ per cent interest. The Minister of Marine tells us that we made $781,000 on the merchant marine this year, but he did not take into account that we have to pay 5½ per cent interest on that investment of $50,000,000. When that is taken into consideration, the year's operation would show a deficit of about $1,500,000. It has been stated to the House that there has been a shrinkage in the value of these ships. These ships cost us $191 per ton to build; we could build them to-day for $131 per ton. Mr. Bosworth, chairman of the Canadian Pacific Ocean Services, speaking at Vancouver not very long ago said:

"I could get all the ships I want, enough to fill your whole harbor (Vancouver) here for from $50 to $75 a ton." Therefore, considering this tonnage shrinkage, there has not only been experienced an actual loss in operation, but a serious depreciation in capital as well. Last year every ship in operation could have been disposed of for what they cost; to-day it is doubtful whether they could be sold for two-thirds of their cost. For this condition, four things are responsible:

(1) An unlooked-for surplus of ships. (There are 16,000,000 more tons of shipping in the world to-day than at the beginning of the war);

(2) A decline in ocean freight rates. (On some commodities it has been as much as 65 per cent.);

(3) Smaller cargoes; and

(4) An increase in operation costs; supplies and wages having advanced from between 100 and 300 per cent.

Now, this matter of shipping will cost us money this year as well as in the year to come, and, I think that the Government should pay some attention to representations which are made to them in this respect and in regard to the expenditures in connection with the Militia Department. We are spending this year for military and naval purposes some $20,000,000, and I think this is altogether wrong. Our men, in my opinion, and in the opinion of the majority of the people, had enough training in Europe during the past five or six years, without coming back to this country to go in for any military course in Canada at great expense to the public. During the past few weeks we have voted some $3,000,000 for the militia, an amount which is entirely unnecessary and which is an unwarranted extravagance at the present time. To say the least, we could have waited for two or three years before spending this large sum of money, and I cannot reconcile this expenditure with the Government's pretensions at retrenchment in the various departments.

There is another matter in which the Government's policy is not meeting with favour in the country; I refer to the Civil Service, both Inside and Outside. The Government can find room for economy in the Civil Service of Canada; it is my opinion that there are too many civil servants at present and that some are over-paid. The Government should be able to economise in this direction, but I presume they dare not touch this department of the public service. Now, if the Government were really anxious to help the people by reducing the burden which they have to bear to-day, they would take vigorous steps to economise in the various branches of public affairs; if they did so it would go a long way towards restoring public confidence in our system of government.

May I urge once more, as I have done many times in this House that the Government endeavour to secure, if not our full share, at least some reasonable portion of the war indemnity that is due us. I have pressed this question many times, but apparently the Government is heedless of my representations. Mr. Speaker, we went into the war with the distinct understanding that we should be reimbursed, and the then Prime Minister (Sir Robert Borden), frequently declared during the war that we would not stop until Canada was indemnified to the last cent, until Germany was made to pay or something to that effect. Well, in view of these professions on the part of the Government, I was surprised the other day to hear the statement in a speech by the hon. member for Durham (Mr. Rowell), in this House, that the advice which he would give would be not to press this question too far. I was really surprised to hear such advice, especially from an hon. gentleman who has been much talked of as our probable representative at Washington. I always considered that this question of the indemnity that Canada, with the rest of the Empire and of the Allied countries, would get from Germany, was one of the most important that would be considered in deciding the Peace Treaty, and I say, Mr. Speaker, that about the only reason

which can be given why the Prime Minister might profitably attend the conference to be held in London in June is that he should press Canada's claim in this respect. This, I think, should be the pre-eminent question in his mind when he goes to London. Canada should have her share, and her proper share, of the indemnity. All other countries are looking out for themselves; France, England and the rest are looking after their own interests. While the war was on England did not lose sight of her own interests; she sought to secure a market in Africa and elsewhere, and she has already benefited to a large extent at the expense of Germany, not only directly with respect to money payments, but indirectly in other respects. The mere fact that the German marine is destroyed is advantageous to Great Britain as well as to New Zealand. This question of indemnity is not easy of solution. I read a despatch the other day, containing the report of an interview which was had with Mr. Massey, the Prime Minister of New Zealand. He said:

> The Canadian Government expected to get some reparation from Germany through the sale of German ships. I do not believe a word of it. Neither Canada, nor New Zealand will get anything, and we must make up our mind to it. It is really quite absurd to think of it. All that Germany can pay must go elsewhere—the Dominions must realize that.

That is the statement of the Prime Minister of New Zealand, uttered about a month ago, and I trust that the Prime minister of this country will not go to the conference that is to be held in England in June next imbued with the same views. I tell him now that if he goes to London with the firm determination properly to represent this country's position and to press her claim, he will merit the gratitude of the Canadian people, and in this respect I trust that his efforts, if he exerts them in the right direction, will meet with every success. Now, Mr. Speaker, at this late hour—it is now about half past eleven—I do not intend to take up more time, because I realize that I have already taxed the patience of hon. members and also of the press. I shall therefore resume my seat, expressing, in conclusion, the hope that the Prime Minister will take note of the suggestion I have just offered him.

Mr. O. D. CASSELMAN (Dundas): I wish, first, humbly to offer my congratulations to the Minister of Finance (Sir Henry Drayton), on the fact that he has outlined in his Budget speech methods of taxation which I hope and believe will adequately meet the difficult conditions that now exist in the country and, in so doing, has imposed the minimum burden on all classes of the Canadian people. The imposition of taxes is at best a disagreeable duty, disagreeable to the Government that finds itself under the necessity of imposing them, and infinitely more disagreeable to the tax-payer who is called upon to pay the taxes. So that the Minister of Finance, in an effort to provide for the extraordinary expenditures with which Canada is faced this year, had a difficult and disagreeable task; and in that he accomplished it so admirably, he is entitled to the commendation and the approval of the Canadian people, which I have no doubt he will receive. In reading the Hansard report of the speeches delivered in the last " Go as you please and free for all " debate, on the Address in reply to the Speech from the Throne I noticed that in almost every speech delivered by the members of the Opposition—both the Liberal Opposition and the Agrarian Opposition—a large part of their arguments was devoted to a demand for a dissolution of this Parliament and an immediate appeal to the people of Canada in the way of a general election, and on every subsequent occasion, which offered the slightest pretext, those arguments were repeated and those appeals were made. Mr. Speaker, this Government was elected, as all governments are, to carry on the business of the country for the regular Parliamentary term. It is true, Sir, that at the time of the last general election, in December, 1917, there was one matter or question which, in importance and danger, infinitely exceeded and dominated all other issues. It is true that at that time there was one mandate—one paramount duty— which, by an overwhelming majority, was laid on this Government by the people of Canada. Will anyone say, Sir, that that duty was not performed, that that mandate was not obeyed and discharged, in a way that brought everlasting glory and honour to Canada; discharged in such a way that it came to pass that all the living forces of Canada were thrown into the struggle and helped very materially to shorten and bring the struggle to a satisfactory conclusion; discharged in such a way that an army of 500,000 men was placed in the field, and back of that army, here in Canada, was another army of hundreds of thousands of men, women and children who worked unceasingly that equipment, munitions, food, money, everything required for the war,

were provided in abundance; discharged in such a way that our financial fabric remained secure, that our industries were prosperous, that our commerce was uninterrupted; discharged in such a way that we can look forward to an era of national peace, national prosperity and national safety? Is it because, Sir, that duty was discharged so thoroughly and that mandate obeyed so honourably, that the call is now made to dissolve this Parliament and appeal to the country in the way of a general election?

Mr. Speaker, no charges have been made against this Government. The searchlight of the Opposition, which has been turned to play on every part and on every point of the Government's activities, has disclosed no scandal. Canada and this Government stand unique in this regard. In all previous wars, and in almost every country that was engaged in this war, scandals abounded; but the most diligent search on the part of the Opposition has failed to disclose one single scandal, one solitary case of graft, one instance of mal-administration, and the plea for dissolution, made so continuously by the Opposition, stands unsupported by any single reason or by the wishes of the people of Canada.

A general election inevitably will come soon. In the ordinary course of time, perhaps before the Opposition wishes it, an election must come. What will be the issue? It must be the tariff. The leader of the Opposition (Mr. Mackenzie King) may endeavour to evade that issue—to advocate this policy in one place and that policy in another place. The leader of the Agrarian party, in this House, is not the out-and-out free trader that he professes to be in some parts of the country. There is an evident disposition on the part of the leaders of both parties to be all things to all men. But, Sir, the country knows that the Liberal party was pledged to the platform adopted in this city in August, 1919. The leader of the Opposition was chosen as the leader of a party that adopted a free trade tariff policy as one of the important planks of its platform. The people expect the Liberals to maintain and to stand on that platform. They will be judged by that platform.

Since 1878 the tariff has been a political issue. The merits of protection and of free trade, and the evils of both, have been discussed for more than forty years on every political platform in this country and, Sir, it still appears to be a debatable question. But out of the multiplicity of arguments and the endless debate I think the following facts have been adduced: First, tariff protection is a selfish policy of government. It goes on the assumption that our standards of living are higher than the standards of living in other countries with which we must compete in trade, that it is by protection we must maintain those higher standards of living. 2nd. that free trade equalizes the living conditions of the countries between which it operates. Where free trade exists the only difference in living conditions should be the cost of transportation. If we were legislating for the whole world undoubtedly the principle of free trade should obtain. This principle is well illustrated in our constitution, which provides that there shall be free interchange of trade between the provinces in order that conditions of living in all parts of the Dominion shall be as nearly equal as possible. Third, that a certain tariff policy may be good at one period of a country's industrial history and bad at another; that as industrial and economic conditions change, the tariff should be changed to meet those conditions. Fourth, that protection may be made to serve a double purpose—provide revenue; afford protection. And, fifth, that protection, in order to be just and fair, ought not only to protect all classes of the people, but if it imposes a burden, that the burden should be equally distributed.

At this late hour I will not attempt to offer any arguments in favour of the first four propositions. The strongest arguments against protection and in form of free trade hinge around the fifth proposition. Those who oppose the tariff for protection generally contend that the farmers get no benefit from protection; that on the contrary, they are compelled to bear the heaviest part of the burden; that they are compelled to sell their products in a free trade market and to buy what they use and consume in a protected market; that since they produce a surplus of farm products which they must sell in the world's market, therefore the world's price fixes the price of their entire product. If those arguments are well founded, Sir, then protection is an unmitigated and unqualified evil which hinders and hampers the greatest of Canada's industries,—an industry in which more than half of our people are directly or indirectly engaged, one in which an immense amount of capital is invested, and a vast amount of human energy is directed.

I want to lay down two propositions, both of which, I think, will be readily admitted by all students of the subject. First, if we exported all the products of the farm and consumed none, then a tariff on farm products would be of no benefit whatever to the farmers. Second, if we consumed all that we produced, and the balance of the world had a surplus of farm products, then the farmers would get the full benefit of whatever duty might be levied on such products. The chief industry of my county happens to be the production of milk and the manufacture of milk products, and I should like to use that article as an example to illustrate how the propositions that I have laid down work out in actual practice. For instance, if, instead of Canada being an exporter of milk products we consumed all we produced and were, even to the slightest extent, an importer, then the producers of milk would benefit to the fullest extent by whatever duty might be imposed on milk products. If, on the other hand, we exported all our milk products, and consumed none then producers would get no benefit because of the tariff. If our surplus were small, the benefit would be greater than if our surplus were large, because we would be approaching the point of total consumption where we would get the full benefit of the tariff; in other words, the larger the home market the greater the benefit of the tariff to the producers. In my county we have three markets for milk: first, the world's market for milk when made into cheese; secondly, the world's market for milk when made into condensed milk; and, thirdly, the market of the city of Montreal, which is available only to those few who have secured connections with the city dairies. The price received by those farmers for the milk which they deliver in Montreal is from 75 cents to $1 per hundred pounds more than the price received by those whose milk is manufactured into cheese. It seems strange that this should be so, but a better article must be produced and shipped in the best possible condition, which, in itself, is a thing to be desired. Our Department of Agriculture has for years been aiming to increase the quality of farm production. Montreal gets its milk supply from the surrounding country. Naturally as the city grows larger and larger, the dairymen are compelled to go farther and farther afield for their milk. The demand is not yet sufficiently large to take care of all the supply included in a radius that would cover my county, but if it were, all would ship their milk to that market and all would avail themselves of the highest price. Could a better example of the advantages of the home market be given than this? Those who can avail themselves of that home market who have been fortunate enough or provident enough to secure city connections get 25 per cent more for their products than those who have to accept the price fixed by the world market.

Naturally, those farmers who ship their produce for consumption in the city are anxious that the city should grow, they want to see the city market develop and increase in value; and if protection is necessary for the growth of our cities, then they want protection. The home market that absorbs farm produce is the population of our cities, towns and villages. Analyse those centres of population and it will be found that a considerable part of the activities of their inhabitants is centred in the factories. Manufacturing is the life blood of the wholesale and the retail trade, of transportation, of professional practice and of commercial enterprise. In a word, business clusters around the factory. Close or restrict the factory and those dependent activities dwindle correspondingly and the home market declines. Even in Canada, Sir, which is said to be, and is, an agricultural country, it is worthy of notice that 80 per cent of our farm products is consumed at home and only about 20 per cent exported. Surely, Sir, the market that takes care of four-fifths of our products is the market that should and must be protected. The home market, under normal conditions, is a constant market, and in a country where the population is steadily increasing it is a growing market. A foreign or open market is an uncertain market. It may be entirely destroyed by war; it may be restricted by legislation or other economic causes.

The stock argument of free traders when they are speaking against protection is that protection builds up the industrial centres at the expense of the rural districts. That argument, Sir, is not well founded. The facts do not bear out that contention, because our agricultural production has increased more rapidly under protection than has our industrial production. In 1900 the total agricultural production was $364,906,866. During the first twenty years of this century it has increased by six times. Surely Sir, that is a marvellous record, made in what is called a protected country. In 1919 it had increased from the amount I have

mentioned to $1,975,841,000. Then, again, the average capital invested in Canadian farms has increased marvellously. In my county during the last ten years the value of land has increased from 25 to 50 per cent, and stock also has increased in value. Taking the Canada Year Book's estimate of the agricultural capital of Canada in 1917, as $6,830,145 and dividing this sum by the number of farms in Canada, given by Government statistics as 730,000, we find that the average capital per farm was $9,356. It has increased very materially since. It is now much larger.

Another argument of free traders is that protection has caused rural depopulation. It is unfortunately true that, in Ontario, our rural population has decreased, but that decrease has not been due to protection. In 1911 the rural population of Canada was 54.45 per cent of the total population. In England, when free trade was adopted, the rural population was 49.08 per cent of the whole. In 1913, in England, after many years of free trade, the rural population had fallen to 29.9 per cent. In free trade England the rural districts became depopulated infinitely more rapidly than in protected Canada. The true explanation of rural depopulation is not to be found in the tariff. The causes are obvious. One cause, I think, is the advent of farm machinery and labour saving devices. With the present labour saving farm devices one or two men can do the work which required five or six to do some years ago. Then again, Sir, in taking our census it is usual to include in the rural population the inhabitants of small unincorporated villages. Unfortunately those villages are disappearing. The village blacksmith, the village shoemaker, the village wheelwright, the ordinary village mechanic are disappearing, at least from rural Ontario, and the work formerly done by them is now being done in the factories of the cities. These are two reasons which I think account largely for the rural depopulation.

I have said, Sir, that protection is a selfish policy of government. But Canada's fiscal policy should be designed for Canada. We are here to legislate for Canada. If we were here to legislate for the whole world, undoubtedly free trade should be adopted. But, as I say, we are here to legislate for Canada, not for the world; we are not international philanthropists. But after all, Canada cannot stand alone; a selfish Canadian policy dictates that we must have regard to the action of the nations with which we trade. The fiscal policies of countries are interrelated; they swing together like a pendulum, now towards free trade and now towards protection. This fact is significant, because the swing of the world's pendulum is strongly towards protection. The war has accentuated that swing. All the nations which were engaged in the war are taking extraordinary precautions to guard their home markets, to guard their home industries in order that their demobilized soldiers and others who were engaged in war work and their people generally may have employment in their own country. Great Britain, so often cited as the highest example of a free trade country, is in the front in this movement. Mr. Speaker, Great Britain is no longer a free trade country. She has become less and less a free trade country. The Hon. Austin Chamberlain, new House leader of the party in power in England, said in a speech which he delivered not long ago that the United Kingdom raised the sum of £149,460,000 from customs duties imposed on goods entering the United Kingdom during the year ending March 31, 1920. That is, every resident of the United Kingdom paid in that year a custom tariff tax of about $16—and that in free trade Britain. In Canada the average tariff per capita tax during that year, exclusive of the war tariff now removed, was about $19.50. Yet some describe Britain, with an average per capita customs tax of $16 as a free trade country and Canada with an average tax of $19.50 as a protectionist country.

Most countries are increasing instead of lowering their tariff protection. France increased her tariff rates during the last year by amounts varying from 10 to 300 per cent. Italy, Switzerland, Austria, Spain, Roumania, and the Balkan States have made general increases in their tariffs. Recent dispatches show that still higher protection is being provided in most of these countries, especially in France, Italy and Spain. Japan is now maintaining a high protective tariff. The following clause was adopted by the National Republican Convention of the Republican party of the United States at Chicago on June 10, 1920:

> The uncertain and unsettled conditions of international balances, the abnormal and economic trade situation of the world and the impossibility of foretelling correctly even the near future, precludes the formulation of a definite programme to meet conditions a year hence, but the Republican party reaffirms its belief in the protective principle and pledged itself to a revision of the tariff as soon as conditions shall make it necessary for the preservation of the market for American labour, agriculture, and industry.

Official records show that there is not in the world to-day one country making any pretensions towards industrial greatness that is without a protective tariff. Canada's tariff legislation, designed for national development, must be affected by the fact that every great industrial nation has erected protective tariff barriers against the exploitation of its markets by other nations. Were our customs
12 m. tariff removed, while other countries maintained and strengthened theirs, our markets would be deluged with the overflow goods from protected foreign countries, while our goods would be largely shut out of foreign countries. Let me just say that a system under which Canada, for forty years, has improved so rapidly, sanely and uniformly, ought not to be hastily discarded, to be replaced by a system of doubtful character, a system which every other great industrial nation of the world is getting further and further away from, a system which, however faultless in theory, has been found to be a failure in actual practice.

There is just one other matter that I should like to refer to very shortly, and that is the tendency, in Canada, in fact, throughout the world, to adopt a system of Government which might well be described as the group system. I can see nothing wrong in any group of men, whether they are united by ties of similar occupation or not, in uniting to secure adequate parliamentary representation. It is not only the privilege, but the duty of every class, every group, every district, to secure adequate and legitimate parliamentary representation; but the effort to secure representation is one thing, and to endeavour to secure control of the government of a country is quite a different thing. The departure lies not in an effort to secure class representation, but in an effort to secure class control. Party government is the tried and proven principle upon which democracy itself is founded. It stands alike for the liberty of the individual and for the protection of the nation as a unit. Any system of government which is based on a principle that makes a sharp distinction between the classes of our citizenship, is fatal to the welfare of our citizenship.

The government should be representative of all classes of citizens. I am not referring particularly to what is known in this House as the Farmers' Group, though they are the greatest offenders because they have been the most successful, because they have brought their group organization to the highest pitch of perfection, and because, in Ontario at first, the farmers' organization have served notice that none but farmers need apply for admission to their organization.

Only a short time ago, in Ontario, Premier Drury, broadened, I suppose, by the responsibilities of office, announced publicly that his party was big enough, broad enough, liberal enough to include representatives from every group and every class in Ontario. This was the announcement of a statesman. This was a welcome announcement to the people of Ontario, because it indicated a desire to revert to the sane and tried system of party government. But it was not welcomed by the farmers' organization; it was not approved by Mr. Morrison, the secretary, who appears to control that organization, and Mr. Drury was immediately and publicly notified that he was Premier of the province of Ontario by the grace of, and as the representative of, the United Farmers of Ontario. If he wished to maintain the position, of premier, he must be good or get out, He did not want to get out; he decided to be good. One wonders whether Ontario is governed from Queen's Park or from the offices of the United Farmers of Ontario, in Toronto. When Premier Drury is inclined to broaden out and make his party a provincial party, he is called upon the carpet by Mr. Morrison and disciplined, and he leaves a chastened, docile representative of the United Farmers of Ontario alone. In Ontario, there is no attempt on the part of the Farmers' party to disguise the fact that the Drury Government is a class government, and that they intend to see that it is maintained as such. If the Premier is not so inclined, he must give way to another who will be, and this class organization is now to be used for the distinct purpose of aiming at control of federal affairs. The Drury Government in an accident. It does not represent a majority of the farmers of Ontario. A study of the vote shows that its support came from both country and town. The Drury Government is an accident; an accident for which the farmers alone are not responsible. It is a government placed in power by the disaffected and dissatisfied voters of Ontario, by those who had or imagined they had grievances against either the Hearst or the Federal Government. It was a revolt against the restrictions and restraints placed on individual liberty that the war might be carried on with the fullest vigour. It was a protest against the curtailment of privileges which people had come

to regard as rights, a curtailment of privileges made necessary in order that the war might be prosecuted with vigour and success.

In eastern Ontario, at least, the Farmers' party is already preparing for the coming election campaign, and in the rural counties the political fight will be, not between the Government supporters and the Liberals, but between the Government supporters and the candidates of the United Farmers of Ontario.

What will be the nature of the appeals of the Farmers' candidates to the electors in the coming election? They will appeal for free trade, yes; but principally, they will appeal to the electors to condemn this Government for measures passed by this Government during the war—measures which in the opinion of this Government were demanded in order that the war might be carried on with the utmost vigour, but which in their opinion interfered with their personal rights and privileges, limited their profits, and increased the difficulties of farming. They will insist that increased production was infinitely more necessary than increasing the size of the army; they will condemn this Government for fixing the price of cheese too low, and for fixing the price of feeds too high. They will condemn this Government for wheat control; for the actions of the Canada Food Board; for the regulation providing that housewives must use a certain amount of substitutes in their flour at a time, Sir, when milling companies were forcing flour on dealers and dealers were forcing it on their customers. Those are the arguments which will be used, and above all, the iniquities of the Military Service Act. The appeal will be to condemn this Government for those things, and to vote for a party whose leader was a member of that Government when those things were done. Consistent? Hardly. Mr. Speaker, the whole political history of the world affords no such ludicrous example of political inconsistency as the selection by the Farmers' party of Ontario of the hon. member for Marquette (Mr. Crerar) as their leader.

They complain of the fixing of the price of cheese. The hon. member for Marquette was a member of the Government when that was done. Not only was he a member of the Government, but he was minister in charge of the department which exercises control of dairy products.

They complain of the fixing of the price of feeds. The hon. member for Marquette was a member of the Government when that was done. Not only was he a member of the government, but he was Minister of Agriculture, and so is most responsible.

They complain of the fixing of the price of wheat. Who is most responsible for that act? Of course, there must be collective responsibility, but the hon. member for Marquette was Minister of Agriculture when the price of wheat was fixed. He was President of the Grain Growers' Grain Company, first, at a salary of $15,000 a year and Minister of Agriculture second at a much less salary.

Who, when the farmers' sons were conscripted, if the need of the farm was greater than the need of the army, should have been the first to register a protest, and if unheeded, to resign? The member for Marquette.

They complain because the farmers' sons were conscripted, and, at the same time, are advised to vote for a party led by the hon. member for Marquette, who gave his blessing and benediction to that Act, who was a minister of the Crown when that Act was passed. We cannot get away from the fact that agriculture is now and must be for generations to come the most important Canadian industry. We cannot get away from the fact that it is an industry that has not always enjoyed rewards which the labour and capital involved entitled it to. We cannot get away from the fact that it is not profitable enough or attractive enough to induce those who are now on the farms to remain there or others to take up farming as a life's occupation. If by organization and union a better condition of affairs can be brought to prevail, such organization and union should have our hearty support and sympathy, but organization to promote better conditions of trade is one thing, and political organization to secure control of the government is quite another thing. The one is justifiable and practical—the other is neither.

In conclusion let me just say that the war has brought us an immense debt. It has left us with a restless, uneasy people, but it has brought us something else which immeasurably outweighs the dangers of those. It has left us with a national purpose and a faith in our national prowess.

We are richer because of the war, infinitely richer, because something more imperishable than money, than our lands, our mountains and our seas, has been created, and is peculiarly and eternally our own—a national faith, a national spirit.

Mr. W. K. BALDWIN (Standstead): Mr. Speaker, in olden times when the Budget was debated in the House it used to be provocative of vigorous speeches, but this particular one seems to have got down to the basis of a fellowship meeting. We had two ex-Ministers of Finance to-day talking along the same line, saying that tariff revision was to take place.

The tariff question has always been an important one in this country. It has involved the life of many governments. At the present time we have an appalling debt, which imposes very great burden upon all our people. The railways have been more largely responsible for this than anything else, and they constitute the darkest cloud in the future. Personally I was very much relieved when the great Shaughnessy made overtures to the Government recently to take over the National Railways. I believe that Shaughnessy is the highest authority in Canada in connection with railway operation. He was brought up under the great Van Horne, has had a vast experience, and he shows his genius in his selection of his lieutenants.

The hon. member for Frontenac (Mr. Edwards) has discussed the tariff reductions, reciprocity, and so forth. Some have accused the Liberal party of being a free trade party. I probably have had as long an experience as most members of this House and I have never known the Liberal party to proclaim a free trade policy. It may have been proclaimed by individuals, but not by the party leaders. Away back in the days soon after Confederation, when the Hon. Edward Blake and Hon. Alexander Mackenzie had the colonial tariff, that great opportunist and leader Sir John A. Macdonald came in with the national policy. I have heard that question thrashed out on the hustings of this country for more than 40 years. The policy of reciprocity in natural products was advocated by the late great Sir John Macdonald, the Hon. John Henry Pope and the Hon. C. C. Colby, who represented the county I now have the honour to represent.

The present Minister of Trade and Commerce (Sir George Foster), has gone down to Washington many times and tried to effect a reciprocity treaty in natural products with the United States, and this I think shows the insincerity of the right hon. gentleman. I trust the day will come when we shall take this question of the tariff out of politics, and appoint a commission of scientific men to consider it from the international viewpoint, because it is a matter of international concern in which we have to deal with other countries as they wish to deal with us. You cannot have a hard and fast tariff that will satisfy every section of the country. Now, there are other matters of greater importance than the tariff at the present time, and one question of supreme urgency is the development, to the best possible advantage, of the great resources of Canada. To-day Japan is making practically all the silk goods used in Canada, and she is invading the markets for cotton, musical instruments, etc. She is manufacturing almost every conceivable thing, and Germany is doing the same. That country is selling steel to the manufacturers here at 8 cents per pound, for which they have been paying 32 cents to the United States and Great Britain or wherever they could get this product.

What with the eight-hour day and the laziness that is rampant in this country to-day, it is quite evident that if we do not wake up we shall find ourselves in an unenviable position. We should do something to prevent certain people from overrunning the country, berating capital and labour, and every decent institution that tends to hold together the fabric of a civilized country. The people who went from my part of the country down to the New England cotton mills to work in the early days, laboured twelve hours a day, from half past five in the morning to half past six at night, the young men and women at 35 cents a day, and the older men at $1.25. And they were perfectly content and happy. Conditions to-day, however, are entirely different. Canada and the United States can truthfully be said to be in analogous positions, in that conditions in this country are much the same as the conditions that prevailed in the United States after the Civil War there. By inflation, prices have reached a fictitious levelty.

I am interested in the tariff because I desire to see the development here of a great country. I believe in commercial unity. I think that commercial unity should be aimed at, and I should like to see the whole of the British possessions in the Caribbean sea, not only commercially, but politically, united with Canada. But in order that this may be realized, there must be no coercion; every part of the Empire must enter the union willingly. If possible, I should like to see Canada indemnified for the part she took in the Great War. In this connection it seems to be that the

member for Laurier-Outremont (Mr. Du Tremblay), advanced a very forceful argument when he said that the Prime Minister of this country (Mr. Meighen), when he goes to the Old Country, should put forward Canada's claim as the question of greatest concern to this country. I cannot be equally as confident as the hon. gentleman in the assertion that the ex-Prime Minister (Sir Robert Borden), made the promise that we should be reimbursed if we succeeded in winning the war, but the statement seems to be only reasonable.

Now, it seems to me that the Government made a serious mistake in loaning money to Roumania and Greece. I remember very well that that staunch Liberal gentleman who represents the constituency of Shelburne and Queen's (Mr. Fielding) warned the Government time after time, as I did myself, that it would be disastrous to loan money to these countries that had no responsible governments. To-day, we are informed by the right hon. Minister of Trade and Commerce (Sir George Foster) that no interest has been paid on these loans and that there is no prospect of any payment. I can remember that about the time these loans were made I tried to buy various goods, such as overalls, shirts, jumpers, etc., having been in the mercantile business for more than forty years; and the result of the Government's decision to lend this money to these countries was that these goods went up 20, 30, 40, 50, and probably 100 per cent. Now, had the Government spent that money in this country in developing our internal resources, in building highways, and extending our canals, they would have been doing something that would be greatly to the advantage of this country, instead of helping foreign countries at our expense, when we can ill-afford to lose a cent. They could very well have spent this money on the great Welland canal, which, notwithstanding that some people regard the expenditures on it as monstrous, I claim to be well worth every improvement that can be made to it.

The Government of a country, it seems to me, might well be compared to the father of a large family, who has the control of children of varied temperament, some pugnacious, some disobedient and others submissive. I say that the Prime Minister and the Government must take hold of our present conditions fearlessly; in other words, they must take the bull by the horns. The tariff is not the only question with which they should deal; they should take hold of our internal and commercial affairs, and carry out a sound policy in regard to them. I am confident, for instance, that one-half of the civil servants of the country could be dispensed with.

Now, it is obvious that there has been a considerable decline in prices of farming products, and the farmers to-day are practically throwing away hides because they are not skinning their animals themselves. Our present economic conditions demand careful consideration on the part of the Government. The manufacturers of boots and shoes, to give one illustration, take the view that the fewer hides placed on the market, the higher the price of shoes will be, and in other respects the manufacturers say: "We will not operate this year, because we cannot get help, and the people next year will be practically in rags and goods are bound to go up then."

All of these things that require labour cannot be produced for much less as yet. Farm commodities are produced by the sweat of the farmer's brow, and the farmer is not getting more than fifty per cent of what he received a year ago. He cannot therefore pay more than fifty per cent of what he formerly paid to the man that he hires and who sleeps in as good a bed as he does and eats at the same table. Some one in this country has to be bold enough to stand behind the administrative affairs of Canada, and the Civil Service, to a certain extent, requires to be dealt with. The civil servants should work just as hard as anybody else. If there are fifty-five or sixty thousand civil servants who only work three, four or five hours a day how can you prevent people in the country from wanting to come and live in the city and attend the moving pictures? They see men and women wearing silk hose and good clothes and who, apparently, have nothing much to do, but who are employed in the service of the country. It is because we are not properly handling the problems of this kind that we are not able to run our own railroads—that is one sure sign. There are lots of other things we cannot do, and it is for that reason I say that the Government, as the head of the great Canadian family, should go to work and grapple with these problems.

Look at the present financial situation. Last year we had a debt of two billions and to-day the debt is beginning to look as if it would soon be two and a third billions. Heaven knows where things will

finally stop. The country needs an increase of population, but we are following the policy of hand-picking immigrants, which means that we do not get them. In that connection let me say that the whole world seems to be upset, and the United States and Canada in particular. The people that came to Canada and built the Grand Trunk railway, from Portland to Chicago, were the Irish. The Irish built that road and they demonstrated the fact that they were not only able to build railroads but that they were capable of helping to run the country. They went down to the New England States and the people in Boston were afraid of them—afraid they were going to run the city. There was a time when it was thought the Irish were going to run New York, but a change has come and that belief is now entertained of the Jews. Go west and southwest and you find the people are afraid of the Mexican greaser. Go out to the Pacific coast and you find that the people in California are afraid of the Chinese and Japanese. In British Columbia fear is entertained of the Chinese, the Japanese and the Hindoo. Travel from the west eastward through Canada and you will find fear expressed regarding the Hutterite, the Mormonite, or some other ite, and the Doukhobors. Humanity would appear to be getting suspicious. Come farther east and you hear fear expressed of the French in the province of Quebec, the greatest province in the whole Dominion —a province where the most stable institutions prevail, and the most peace-loving and industrious people dwell. The remarkable thing is that this fear exists in regard to the people who are doing the work. The Anglo-Saxon race have got rich and lazy in all the communities which I have mentioned, especially on the Pacific coast. People move from the East to the West, they become affluent, and they will not do any menial labour; they get the Chinese and Japanese in to perform domestic work for them. The Orientals started work at fifty cents a day and have now got up to $100 a month—they are getting wealthy too and have commenced to buy beautiful homes and to acquire land.

There is one way out of the existing trouble and that is for every able-bodied person in the country to peel off and get to work. It cannot be done by any philosophizing, preaching, or political propaganda. People have got to get down to brass tacks; they must get down to the very bottom and work up. There are unemployed in this city and there is a strike at present in progress. In Toronto there are a lot of unemployed people who are demanding that married men amongst them be paid $20 a week and single men $15 a week. At first the mayor of that city did not nip the demonstration in the bud, but he had to do it before many days; otherwise there might have been such a demonstration as occurred in the Haymarket Square, Chicago, some years ago. On that occasion bombs were thrown and a number of people were killed. But eight or ten of the culprits paid the penalty for their crime and were executed. I believe that no able-bodied man in this country has any right to ask the Government to feed him—all should work for what they eat and what they have. Some policy will have to be adopted in Canada by which idle persons will be set at work. You cannot do anything else; if you do not do something of that kind these people will become criminals. There is lots of work in the country for the unemployed. Take the districts between Montreal and Ottawa, Montreal and Sherbrooke, and Ottawa and Toronto. In these sections of Canada you have some of the finest and most fertile land. The great pity is that in many cases the farm buildings are running down for want of repairs and a little paint. If a little paint were applied it would effect a wonderful transformation. In our province we see lots of whitewashed buildings with red painted doors and the tourist as he passes through declares "You have a most beautiful country here." I do not wish to run down the paint business, but really paint is getting to be almost too expensive an article for the farmer. It must be remembered that in addition to other handicaps the farmer has weather conditions to contend with. It was only a short time ago that in many parts of the United States, when the peach trees, and even the peccan trees, were in bud and things were most promising a frost came and devastated everything. In the Niagara peninsula the country is beautiful and at the present time the fruit trees are all out in blossom; they are garbed in white. In California after the frost came not a single blossom was to be seen on the fruit trees. We have one of the grandest countries in the world in Canada but it must be properly administered. Our governments must quit playing politics—as a matter of fact the public mind is in such a state it will not tolerate playing that game very much longer.

My hon. friend from Frontenac has been making a lot of comparisons. He cannot deny that the Laurier Government was elected upon certain pledges and that it fulfilled all its pledges. It accorded preferential treatment to Great Britain and reduced the postage from three cents to two cents. Times were good and almost everybody was prosperous. Now the Government is taxing everybody and everything. Perhaps the only thing that escapes taxation is the oxygen in the air that we breathe. Under the Laurier Administration prosperity prevailed throughout the length and breadth of the land and the people were happy and contented. To-day we have a Government that does not administer the affairs as they should be administered; it is watching for the opportune time to hold an election and seeking every chance to re-elect itself. I ask, if that is doing right by the common people of this great country? We have the greatest country in the world if we will only develop it by sane policies. Instead of bringing coal from Pennsylvania let us utilize our native coal and our great water-powers.

The Minister of Finance speaking in Montreal and Toronto gave the people good advice to spend their money at home and support Canadian industries; and the Minister of Trade and Commerce gave similar advice. With our Canadian dollar so deflated in the United States a person must be insane to buy anything there that is procurable in this country. But I fear that in many respects we fail as a people. For instance, if we used all our money to develop our own country instead of spending it to develop other countries we would be in a far better position than we are to-day.

I have not seen any particular attention paid to our great railway problem. With our constantly increasing deficits, already running into nearly $100,000,000 annually, would it not have been better to have treated our railroads in the same way as the United States have treated theirs? As a matter of fact we should have let our railroads go into the receiver's hands in the first place. I would not be in favour of our National system being absorbed by the great Canadian Pacific railway, but if the Government could make an arrangement with the Shaughnessy syndicate, or whoever it may be, to take the system over the Government would be in a position to see that freight and express rates were lowered, and they could control operating expenses to a greater or less extent. For instance, the McAdoo award cost the Canadian Pacific Railway $12,000,000 last year, and it severely handicapped our National railways. In fact, we are playing into the hands of the United States every day. That is what pleases me in regard to the Budget, that it gives still further preferential treatment to the British Empire.

There is not very much to be censured in this Budget, except that I would not have removed the tariff on beer and confectionery. My personal impression is that the higher duty in this regard would be an advantage to our youth and to many of our adults. But the business men of this country have stood about all the taxation they can in this respect, that there is never any lack of enterprise among them, but they are disinclined to embark on any enterprise when they see the Government so ready to take away their profits. Therefore, I am glad that no further hardship has been imposed, as it is undoubtedly a mistaken policy which tends to destroy the ambition of our people. Men used to go into a bank and say to the manager, "We want $50,000, or $100,000, and we not only want it, but we are going to have it. If you do not like to accomodate us, we will get the money somewhere else." But they would be courageous men who would talk that way to-day, simply because the banks have not got the money to loan. We have taxed the people to the limit. And with our huge railroad deficit what can we expect in the future? I say that the Government will not get from the sales tax in 1921 60 per cent of what they got last year, and the same remark applies to the income tax, simply because industries all over the country are passing dividends. I know, because I am hit very severely myself, and I am aware that others are hit a mighty sight worse. But the Government are simply going along in a spendthrift way building up military works. Have we any right at this juncture to be expropriating money for drilling purposes? We have men enough in this country to-day trained to the hilt to last a decade. I say to our soldiers: If you saved your country from Germany, it is your duty now to save her from bankruptcy. Let every abled bodied returned man consider himself a civilian and do his best to develop the resources of Canada and make her people a great nation.

I have not much to say about labour, because it is a question that often arouses a cantankerous spirit, but I venture to say that our labour organizations are paying thousands of dollars every year to American scalawags who tell our working-

men: "Keep a stiff upper lip and don't work." This advice can only lead to a most appalling state of affairs, and already small investors are holding their money and very few institutions are running more than twenty-five or thirty per cent of their capacity.

In the Eastern Townships, the fairest land in all the Dominion, there were built last year a number of plants involving an expenditure of over $20,000,000. The people are industrious down there; there are no strikes, and thank God for it. The people honour their King and worship God, and if you can get a people to do that the country is safe. It would be well if the considerable number of people who have a habit of trying to get a living out of the other fellow's pocket would go to work and delve out an existence from the rich, fertile soil which is to be found in this country. I heard the member for Brantford (Mr. Cockshutt) say that he was brought up on oatmeal and the Bible. Well, that is a pretty good diet and I want to say that if more people lived on such a diet they would come to a full realization of things and would know a little better what they were created for. It is said that mankind was created to glorify God, but I think that the percentage of those who do so outside the province of Quebec is very small indeed. There we teach the young people to take off their hats to their seniors. Now, I suppose I work as hard as any man in the country; when I get home I put in fifteen hours a day—go down to the mill or farm looking like a tramp, with ragged clothes on; yet the little children whom you meet take their caps off. I say that the people of the province of Quebec are going in the right direction, not only for the present, but for their eternal salvation.

Now, coming back to the immigration policy of the Government, I was going to speak the other day when the Estimates of the Department of Immigration were before the House, but the minister suddenly gave over to one of his colleagues and I did not get the opportunity. I have said a few things about the United States and Canada. Now, the most populous country in the world is not Canada and is not the United States; the most populous countries are found not in this hemisphere, but in Europe, Asia and Africa. Some people think we can go on with this hateful talk about foreigners; that we can employ these people and pay them, and simply because they want to invest their money honestly in this country that we will make them subservient to our will and keep up a hatred. Why, Mr. Speaker, the thing is deplorable. We all believe in the fatherhood of God, and if we do we should believe in the brotherhood of man. If not, it would be a farce for the Speaker of this House to implore the divine aid and the divine guidance for our King and our country in the deliberations of Parliament. I know as clean people who have black skins as I do mean people who have white skins. If I run across the Japanese ambassador here, I think I have met a gentleman. We need to shake off some of these ideas; the people should realize their duty not only to themselves but to their families and to mankind in general.

I think it is tweny millions which is proposed to be spent on militia and naval affairs. Now, one would think we were trying to follow the great and populous United States. The United States would not sign the Peace Treaty so she braced up and said: We have the money; we will build a navy that will make the rest of the world get on their knees to us. Well, that is against the spirit of the age; it is against the spirit of the father of the Peace Treaty, ex-President William H. Taft.

An hon. MEMBER: Wilson.

Mr. BALDWIN: Ex-President William H. Taft was the father of the League of Nations and the Peace Treaty. He stood upon the platform with President Wilson and at various meetings held throughout the country he advocated that policy. And what happened? About the time the United States elections were to come on some of the big politicians said to Mr. Taft: Do you remember that you were President of the United States by the vote of the Republican party? Withdraw your affiliations with this Democratic President. From that time on, did William H. Taft advocate the League of Nations or the Peace Treaty? No. So it is that politics and its intrigues serve to destroy the prospects of a people; it is the old question of the political game.

One of the ministers has suggested that it is difficult to forecast what the condition of Europe will be six months from now. It may be a raging tempest of war. Well, so far as I am concerned I declare against a policy of going over there if they want to keep up a raging tempest of war; I say, in that case let us stay on this side of the Atlantic. I do not want to speak on conscription now but I do want to say

that conscription cost the country probably half of its present debts. That noble, patriotic man, the late Minister of Militia who is now probably nearing his end, said: "We do not need conscription; more men are volunteering than I can equip." But the present Minister of Militia is broad and well-fed and he gets pretty chesty; he brings up that spirit of antagonism; he wants to devour some one. When a military machine is set up it has to do something, even if it comes to declaring war on a peaceful nation, as Germany did. Now, this business of annual drill is the biggest farce that has ever been known. I say without fear of contradiction that not two per cent of the men who were drilled in Canada at the annual drills before the war were fitted physically or any other way to enter upon active military service. Why? Because they were made up of old men, men who were halt and blind—well, blind so far as their sense of duty went. That christian gentleman, the member for Shelburne and Queen's (Mr. Fielding) made some reference to-day to the doings in Victoria. With already three or four dry docks on the Pacific coast, one of them at Victoria. The Minister of Marine and Fisheries (Mr. Ballantyne) laughs; we may get after him by-and-by if the hour is not too late. If, there were three dry docks or two or only one, what would be the occasion for building a new one when we think of the tonnage that is lying idle at the docks in the different coastal towns of Canada and the United States? Building dry docks at this time when such a condition of things exists, is preposterous, but I do not want to discuss this matter which was so ably dealt with by the hon. member for Shelburne and Queens (Mr. Fielding).

The Minister of Immigration and Colonization (Mr. Calder) said that the hon. member for Stanstead would allow to come into Canada any law-abiding citizen. I stand by that statement. Immigration is required if we are to produce sufficient traffic for the huge mileage of our railways and to develop the enormous extent of our country. If we cannot get revenue to pay the appalling amount of interest due on our public debt without ever thinking of paying it off, it will be a sad thing for we fathers to point out to our sons, the coming generation, that taxation is to be worse and worse as the years go by. We want to do something, not only to pay promptly the interest on the national debt, but to pay off a good sized lump sum of the debt each year under the present taxation. How can we do that with the population that we have at present? We must develop all our resources. We are told that Mackenzie, going down the Mackenzie river 130 years ago, found oil in that section of the country. I have statistics to show where we buy our gasolene from, and most of our money spent on gasolene goes to the United States. We have our oil wells up in the Mackenzie River district and we need a railway there to enable private enterprise to develop them. Of course the great Imperial Oil Company will put in their plant, but that will be another monopoly. If the Imperial Oil Company, the big child of the Standard Oil Company puts in a pipe line, you will not see cheaper oil. A railway must be built or some method of transportation provided. It would cost a great deal of money to put in canals or locks, but there should be some way of getting into that vast territory.

The hon. member for the Yukon (Mr. Thompson) entertained the House a few years ago with some wonderful statistics of the vast resources of the Yukon. How are we going to pay off this appalling debt and build up the country, and what hope of the future is there without development of our tremendous resources? Quebec alone is a good deal more than one-fifth the size of the United States. Our policy as regards immigration should be a broad one, and I have enough knowledge of the human race not to be discouraged. In the early days of the war we were told about the horrible Kaiser and his military machine, but the German people are fine people. When hon. members in this House speak about the horrible German and the horrible Austrian and look with scorn on anybody who sympathises with those people, I say that that was due to the German machine and I have respect for the people of Austria and Germany. We should imitate the spirit of Great Britain in that respect. Their policy is

1 a.m. to extend the hand of fellowship to the enemy when he is conquered. When she conquered this country she gave the conquered race their language and religion. Yet we here, an insignificant number of people as compared with the great nations of the earth, are settling up a hatred for our former enemies. How can we ever expect to trade with them, to do business with them, to receive them in this country if we keep up that hatred? We would win far more people if we held out a cordial hand.

I remember being in the western United States and seing people pouring in there with perhaps nothinb but a tin box or a red handkerchief to hold all their belongings, and yet they have become good respectable citizens of that country. God created the Germans and Austrians just as much as ourselves and we have no right to set up this hatred against them. If we have an unruly, dishonest criminal in this country, we should punish him quickly. We must adopt a new policy of immigration. Who in this country has backbone enough to adopt some principle of common sense in this matter? Are we to go on playing politics without any sound business principle to go on? It is time that we began to realize what a government is for, what civilization is for. We have sent out missionaries throughout the broad world to Christianize the people of the dark spots but we at home are playing a game that is wholly dishonest, wholly unpatriotic, wholly disloyal to our country and wholly nonsensical. Let our leaders grasp the situation and deal with it as they should.

My observations are probably very much distorted; but they come from my heart, and I shall be glad if what I have said, when it is placed on Hansard, does some good to this world that is so much troubled and in which there is so much hatred, so much enmity and so much despair.

Hon. C. C. BALLANTYNE (Minister of Marine and Fisheries) moved the adjournment of the debate.

Motion agreed to, and debate adjourned.

LEAVE FOR MR. CRERAR TO ATTEND SENATE COMMITTEE

Mr. SPEAKER: I have the honour to inform the House that a message has been received from the Senate requesting this House to give leave to the Honourable Thomas Alexander Crerar, M.P., to attend and give evidence before the special committee of the Senate appointed to inquire into and report at this session upon the conditions which are responsible for a large portion of our export trade (more especially the products of the West) being routed via American instead of Canadian ports.

WAYS AND MEANS RESOLUTIONS

Hon. Mr. BALLANTYNE moved:

That 300 copies of the Ways and Means resolutions submitted to the House on the 9th instant be printed forthwith, 600 in English and 200 in French, and that rule 74 be suspended in respect thereto.

On the motion of the Hon. C. C. Ballantyne the House adjourned at 1.07 a.m. Wednesday.

Wednesday May 11, 1921.

The House met at Three o'clock.

ARMISTICE DAY

Hon. HUGH GUTHRIE (Minister of Militia): Mr. Speaker, I beg leave to ask the consent of the House to move that Bill No. 119, an Act respecting Armistice Day, now appearing on Public Bills and Orders be transferred to Government Orders.

Motion agreed to.

EXTRADITION TREATY

Right Hon. C. J. DOHERTY (Minister of Justice): I beg leave to lay on the Table of the House, copies of a Supplementary Extradition Convention with the United States signed at London on January 15, 1917. This is the treaty which makes wife desertion an extraditable offence.

CHINESE IMMIGRATION

Hon. J. A. CALDER (Minister of Immigration and Colonization) moved for leave to introduce Bill No. 146, to amend the Chinese Immigration Act.

Hon. CHARLES MURPHY: Explain this.

Mr. CALDER: The most important amendment contained in the Bill will be found in the first section. As the law now stands, Chinese merchants coming to Canada are admitted without paying a head tax, on the production of a certificate of identity which is issued by the officers of the Chinese Government and viséd by the British Consular Officers in China. It has been found during the past year—I think to some extent owing to conditions in China—that a good deal of abuse has prevailed in connection with the issuing of these certificates. Consequently we propose to abolish the certificates and require every Chinese merchant landing on our western coasts to satisfy the controller of immigration there as to the bona fides of his status.

Mr. MURPHY: Is this controller of Chinese immigration an official of this Government?

Mr. CALDER: Yes. The second amendment is to the effect that a board of inquiry, appointed under the general Immigration Act, may determine the question as to whether or not a person of Chinese race has legally entered Canada. Under the law as it now stands, if any question arises in that connection it must be tried by a magistrate. Under our general immigration law, applying to all other people, these cases are heard by a board of inquiry and determined by them, so it is proposed to make the two laws uniform in that respect. The third amendment relates to section 18 of the Chinese Immigration Act. That section deals with and enumerates the prohibited classes—for example paupers, lunatics and others of that category. The provision in the present Chinese Act does not go as far as a similar provision in our general law, and the object of this amendment is to make the two laws the same in that respect—that is to define in both our Acts, the general Act and the Chinese Immigration Act, the classes that are prohibited and to make them the same. Then there is a further provision to this effect: Under the law as it now stands, Chinese, other than the non-immigrant class, who enter Canada are required to pay a head tax of $500. They, however, have the right to return to China. That is called "registering out." They obtain a certificate when they leave and under that certificate they are entitled to return to Canada at any time within the year without again paying the head tax. It is proposed to make the period a two-year period instead of, as at present, one year. Then there is a fifth amendment to this effect: That where a person of the Chinese race has entered Canada illegally—if he belongs to, say, any of the prohibited classes, and has succeeded in securing entry to Canada illegally, and is afterwards found—the question as to his right to remain in Canada shall be determined by the controller of Chinese immigration. There is, of course, in all cases an appeal to the minister, as under the general Immigration Act. In addition there are a number of minor amendments which deal largely with small matters of administration.

Motion agreed to and Bill read the first time.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

[Mr. Murphy.]

CARTIER SQUARE, OTTAWA—STORES SHED

*Mr. FRIPP:

1. When the Stores shed was erected on Cartier Square for Military purposes during the Great War were assurances given to the Corporation of the City of Ottawa, by the Department of Militia, that the building was only of a temporary character, and that it would be removed as soon as possible after the war terminated?

2. If so, is it the intention of the Government to cause this unsightly structure to be removed at an early date?

Hon. Mr. GUTHRIE:

1. No.

2. It is unfortunately necessary to require this building for some considerable time, as it is fully occupied with war stores.

CANADIAN NATIONAL RAILWAY—ST. SIMON

Mr. TRAHAN:

1. Has Mr. Didace Rodrique ever been in the employ of the Canadian National Railways at St. Simon, as telegraph operator or station agent?

2. Is he still in the service of the Government?

3. If not, when did he resign or was he discharged?

4. If discharged, what was the reason for his dismissal?

5. Does the said Rodrique receive a pension from the Government? If so, what is the rate of same?

Hon. Mr. REID:

1. Yes; as station agent at St. Simon.

2. No.

3 and 4. He was pensioned December 1, 1914.

5. Yes; twenty-three dollars and eighteen cents per month.

POSTMISTRESS OF PIERREVILLE

Mr. BALL:

1. Did the Post Office Inspector of the Montreal district visit Madame Boucher on the date of her dismissal as Postmistress of Pierreville?

2. If so, did he say to her on that occasion, "that she had served the Crown and the public faithfully for twenty-five years; but here are my orders from the Postmaster General. Hand me your keys and your equipment. You are dismissed as Postmistress."

3. Did he give her any reason for her dismissal?

Right Hon. Mr. DOHERTY:

1. Yes, the Pierreville office was visited by the assistant inspector.

2. No.

3. Yes, that she had allowed outsiders to handle mail contrary to regulations, which she admitted.

STE. ROSE DE WATFORD—MAIL CONTRACT

Mr. CANNON:

1. Who has the contract for the transportation of mail from the station at the village of Ste. Rose de Watford, in the county of Dorchester?
2. How many times daily is the mail carried?
3. Has the number of trips been decreased of late?
4. If so, why?
5. What is the amount of the contract?

Right Hon. Mr. DOHERTY:

1. Jean Lacasse.

2. Once daily with one additional trip on Saturdays.

3 and 4. Yes. The former frequency was found to be in excess of actual requirements, seven trips per week being a sufficient frequency to meet the postal needs of the locality.

5. Seven hundred dollars per annum.

JUDGE SNIDER'S REPORT

On the Orders of the Day:

Mr. ANGUS McDONALD (Timiskaming): I should like to ask the right hon. Prime Minister when we may expect Judge Snider's report.

Right Hon. ARTHUR MEIGHEN (Prime Minister): The commissioner has not notified the Government of any date when the report will be submitted. So far as the Secretary of State knows, to whose department the report will come, it has not yet been submitted.

THE BUDGET

DEBATE CONTINUED ON THE ANNUAL STATEMENT PRESENTED BY THE MINISTER OF FINANCE

The House resumed from Tuesday, May 10, the debate on the motion of Hon. Sir Henry Drayton (Minister of Finance), that Mr. Speaker do now leave the Chair for the House to go into Committee of Ways and Means, and the proposed amendment thereto of Hon. W. S. Fielding.

Hon. C. C. BALLANTYNE (Minister of Marine and Fisheries): Mr. Speaker, I am sure that the very able Budget presented to the House by my colleague the hon. Minister of Finance (Sir Henry Drayton) will receive very general approval throughout the country, and I have been very much gratified to hear the warm words of commendation that have fallen from hon. members on both sides of the House who have so far taken part in this debate.

I do not intend to refer in any great detail to the Budget, but one or two salient features of it will, I am sure, appeal to hon. members and to the people generally. The revenues for last year exceeded the ordinary expenses, including all pensions and current war charges by $69,400,000, and exceeded the sum total of the ordinary expenses, together with the regular charges to capital and war, by $12,298,000. I am sure hon. members will agree with me that, considering the very trying year the country has passed through, special thanks are due to our able minister for the skilful manner in which he has looked after the national finances, particularly in view of the very significant fact that he has been able to do so without any fresh borrowings. Another very gratifying feature is that our revenue for the year 1920-21 exceeded that of the previous fiscal year by the large sum of $83,000,000.

I recognize, Sir, that great freedom of debate is allowed to hon. members when speaking on the Budget, but I must say that the hon. member for Brome (Mr. McMaster) last night exceeded, in my humble opinion at any rate, the usual bounds of courtesy and failed to maintain that high standard of debate which is associated with our deliberations when he took up the time of this House by reading imaginary letters evolved from his peculiarly fertile brain. If the hon. member in taking this course had refrained from connecting the names of ministers of the Crown holding two of the most important portfolios in the Government, no one in this House would have taken any exception to the playful diversion that appears to appeal to the hon. member in writing imaginary letters. But I want to say that your Honour very properly described the action of the hon. member last night when you reminded him that it was in very bad taste.

I am sorry that the hon. member is not in his seat at the present time. I am satisfied that he had an ulterior motive when he wrote those imaginary letters. I do not consider that it was either good taste or good political tactics for the hon. member to weave together the letter of the hon. Minister of Customs and Inland Revenue (Mr. Wigmore), the reply of the right hon. Prime Minister (Mr. Meighen) and his imaginary letter that was supposed to have been written by me as Minister of Marine and Fisheries to my colleague the Minister of Public Works (Mr. McCurdy). I can imagine that when the

general election is on certain politicians of a peculiar type will take care on the hustings all over the country to say: If you will turn to the pages of Hansard you will find first of all the letter of the Minister of Customs, then the reply of the right hon. Prime Minister, and also a letter written by the Minister of Marine and Fisheries to the Minister of Public Works. And what will follow? The usual declaration, that these men occupying the treasury benches are making an unfair use of their power in trying to influence business to the companies that they may happen to be connected with.

I find it difficult, Sir, to keep within the bounds of parliamentary language in referring to an incident that has never before occurred in this House, and I am sure will never be repeated. Aside from the hon. member for Brome, I do not think there is a single gentleman in this House who would have invented such an imaginary letter and placed it on the pages of Hansard. It is true that I am a director of various companies, and I have on a previous occasion stated to this House that I have no apology to make for holding those positions, for necessarily a business man must be a member of several boards of directors. But I want to point out to my hon. friend from Brome that two of the companies that he credits me in this imaginary letter with being a director of are companies in which I have no such control. Therefore his imagination led him astray in this instance. Sir, I have already taken up too much of the valuable time of this House in referring to the tactics of my hon. friend from Brome. Such tactics are beneath the contempt of every hon. member, and therefore I shall refrain from making any further allusion to them.

In connection with this incident, however, Mr. Speaker, I think it is the duty of this House to so amend the rules that in the future we may have no recurrence of this practice of producing imaginary letters. As I have already stated, I do not know of any other hon. member who would be so lacking in good taste as to follow in the steps of the hon. member for Brome, but at the same time the rules of the House should not allow such imaginary letters to be officially recorded on the pages of Hansard with the names of ministers of the Crown attached thereto.

Now, Sir, I desire to pass from that to the remarks of the hon. member for Shelburne and Queen's (Mr. Fielding). No man holds the hon. member for Shelburne and Queen's in higher esteem than I do; he is a man very highly thought of in this House and throughout the country. There was a time when he and I could see eye to eye on the matter of the tariff, but in these days our views are, of course, totally divergent.

Mr. LAPOINTE: Hear, hear.

Mr. BALLANTYNE: The hon. member for Quebec East says, "Hear, hear." But I want to say, Mr. Speaker, that my views have not changed; those of the hon. member for Shelburne and Queen's have. I was somewhat amused to hear the veteran statesman, speaking officially for hon. gentlemen opposite, voice his disappointment that the Government had not seen fit to revise the tariff, and express the view that a general revision should have taken place at this session. I was reminded of the speeches of my hon. friend the leader of the Opposition (Mr. Mackenzie King). I recall, as all hon. gentlemen do, his statements in this House and outside of the House that the Government hold no mandate from the people; that we have no right to change the tariff. Yet in his speech yesterday the hon. member for Shelburne and Queen's expressed deep regret at the decision of the Government not to make any general revision of the tariff.

I was surprised also at the remarks made by the hon. member for Shelburne and Queen's with regard to free trade. As was evident to every hon. member on this side, he skilfully baited his hook with the very best bait he could get and dangled it for some time in front of our friends of the Agrarian group. He said: "I am a free trader as far as theory goes." He appealed to them and said: "You think you are free traders, but you are not. What is the use of thinking any longer that you are a free trade group? After all, there is a great similarity between the Agrarian party in this House and the party to which I belong." But Sir, I find it difficult to reconcile the arguments of the hon. member for Shelburne and Queen's with the speeches that have been delivered in this House and outside by the hon. member for Marquette (Mr. Crerar), leader of the Agrarian party and by the hon. member for Red Deer (Mr. Clark). Every one will agree that the hon. member for Red Deer is an out-and-out free trader. He has never hidden his light under a bushel; in this House and everywhere he speaks he

says that he is a pronounced free trader of the Cobden type. The leader of the Agrarian party, the hon. member for Marquette, is equally a pronounced free trader, except that he is of a somewhat more prudent turn of mind; instead of cutting off the heads of the protectionist voters in this country at one fell swoop he is in favour of a slow, lingering death. But so far as the abolition of protection is concerned his views are identical with those of the hon. member for Red Deer. I need not dwell further on that subject; we accept the free trade sentiments so eloquently expressed by the hon. member for Red Deer and by the hon. member for Marquette, and we realize that if they ever reach power they will wipe out every vestige of protection and carry out the policies that they have enunciated. But, Sir, the hon. member for Shelburne and Queen's made another statement yesterday which differs a little from the views which he has enunciated in the past. Referring to the establishment of new industries and the investment of new capital in this country, he said:

> If there are any people in Canada who are contemplating the establishment of new lines of business in which they feel that tariff protection is necessary, I do them a friendly service when I say: "Don't do it," because anybody who counts upon the continuance of a protective policy is bound to find that he is pursuing a delusion. If any outside capitalist purposes coming to Canada to start some industry which he believes can only be kept alive by protection, again, I advise him not to come. I say, Sir, that the policy of indiscriminate fostering of industries in that way, without regard to economic conditions, is not a sound one.

Those are the words of the hon. member for Shelburne and Queen's, speaking in this House yesterday. But let us look at the words to which he gave utterance when speaking on the Budget on May 18, 1920. His remarks will be found on page 2505 of Hansard of that year. Here is what he had to say then about infant industries:

> Now, I would be always willing to help an infant industry if I were sure that when the infant grew up it would accept the full responsibility of manhood.

Further on he says:

> I repeat, I would willingly help an infant industry, and as between protection and bounties, I think I would prefer the bounties.

I think all will agree that the views of the hon. member as expressed last year on the Budget, so far as new industries are concerned, are diametrically opposed to those which he now expresses. I have very often heard hon. gentlemen who compose the Agrarian group say that they are against the policy of protection but that a still more vicious system is that of bounties; yet the hon. member for Shelburne and Queen's stated last year in this House that he was in favour of bounties. Then he went on to point out—and I do not disagree with him—the beneficial results which accrued through the granting of bounties to the iron and steel industry by the government of which he was a member.

The policy of the party to which I have the honour to belong is well-known; under our young, able, progressive, and distinguished leader we stand four-square in this House and from the Atlantic to the Pacific on the policy of moderate protection. We believe in a policy that will not only keep all the industries going which we now have, but will induce new capital to come to this country. We favour the establishment of all the new industries that it is possible for us to induce to come here. They will be treated fairly. We will not give them a tariff "as high as Haman's gallows," nor do we stand for or believe in free trade. But we do believe in the policy of moderate protection, and so long as we occupy the seats of office we will do our very best to encourage new industries to come in. And I know of no country which offers the same golden opportunities to capital and to business men as this country in which we have the good fortune to live. Especially is that true with regard to my own province. We have a quiet, law-abiding people; we have a splendid labour market; we have good water-powers. While all the provinces of Canada offer excellent opportunities for the establishment of new industries, there is none better than the good old province of Quebec that I have the honour to represent in this House.

The hon. member for Shelburne and Queen's expressed regret that the Government had accepted from Great Britain the free gift of one modern oil-burning light cruiser, two destroyers and two submarines. He went on to state that, in these days of peace and in view of the sentiment of the country in favour of economy—which he thought was not being exercised by the Government, but which is—we were not warranted in accepting these ships from the Mother Country. He stated that they were a white elephant on the hands of the Government and the people of Canada. I stated very plainly in this House last year, and I reiterate

the statement now, that we are not increasing, nor have we increased, the naval expenditure of this country by one copper. We are carrying out, as regards naval affairs, the policy that was placed upon the statute books of Canada by the passing of the Naval Service Act in the year 1910. What did we do? We said that it would not be right to continue to spend a sum of money equal to what we are spending now (two and a half million dollars) on old, obsolete ships—the old Niobe, thirty years of age, tied up to the dock at Halifax, not able to go to sea, costing the people of this country $450,000 a year; and the Rainbow, another ship twenty-five years old, also absolutely obsolete, tied up to the dock at Esquimalt, costing this country $275,000 a year. This Government saw fit to reorganize the naval service and we have done so; we have put it on an efficient basis; we have done away with 782 naval ratings and civilians that we did not need. We have done all without a single increase in expenditure. Where, then, does the "white elephant" come in? The "white elephant" would have come in if we had continued to spend the money, which we are now spending on a small efficient navy, by keeping these old obsolete ships at Halifax and Esquimalt. Therefore, while some hon. members think the naval question may be of political advantage throughout the country, I want to make it very clear this afternoon that we are carrying out the policy that was put on the statute book in 1910. We are not increasing the naval expenditure by one dollar. We have accepted, as a free gift from the Mother Country—and we thank her for it—the splendid new modern ships that she has given us. While our navy is small, and while I think we are spending a sufficient amount of money at the present time on the Naval Service, this Parliament and the people have the satisfaction of knowing that what we have is a credit to the country and efficient in every way, and that instead of our having a "white elephant" on our hands by accepting these ships, the reverse is the case. We would have had a "white elephant" on our hands had we carried on the inefficient, poor service that we had and the obsolete ships that were lying at the docks of Halifax and Esquimalt.

I will refer just for a moment to our Agrarian friends—I prefer the name "Agrarian"; I do not favour calling hon. members opposite the Farmers' party, because we are aware that the large majority of farmers in this country from coast to coast do not share the radical ideas of hon. members of that party who sit in this House. Therefore, any remarks that I have to make this afternoon, I want it very clearly understood, apply to the radical Agrarian group that is in this House and the people, especially in the western provinces, who follow that group. The large majority of farmers of this country want stable government; they want a moderate policy of protection, and hon. members will ascertain that in a more convincing way when the general elections take place.

Mr. CAHILL: When will they take place?

Mr. BALLANTYNE: I know the hon. member is not in any hurry for the elections.

Mr. CAHILL: Yes, I am.

Mr. BALLANTYNE: If my hon. friend will possess his soul in patience, I will promise him an election probably in the year 1923, and possibly in the fall of 1922.

I am glad to see the hon. member for Marquette (Mr. Crerar) in his seat. I always read his speeches with a great deal of interest and I entertain a very high regard for him. I have the famous policy of the Agrarian party in my hand, and I read there a severe condemnation of the protective tariff. The leader of the Agrarian party, of course, wants to wipe out the tariff; but for the information of hon. members and of the country, because the farmers of this country are taking a keen interest in public affairs now, and while they know what policy this party to the right of the Speaker stands for, they are anxious to know how the hon. member for Marquette proposes to make up the revenue of $163,000,000 that we now derive from customs duty, after he has wiped away every vestige of protection, I hope, when he speaks on the Budget in this House, he will explain how he proposes to raise that amount of revenue. It is only a business proposition that I am putting up to him that he should give the House that information. I recognize that, a couple of years ago, he had some ways and means that he has now discarded entirely. We do not hear any more from the hon. member for Marquette about a land tax, neither do we hear anything from him about succession dues. Therefore, when he rises to speak, as he surely will, on this Budget, I know that he will endeavour to tell the

House how he proposes to get the revenue to take care of the expenditure of the country, and particularly the revenue of $163,000,000 at present derived from the customs tariff. When the hon. member for Marquette was speaking on the address in reply to the speech from the Throne, I heard him make a very extraordinary statement. He said that to his mind there was no reason why the manufacturers of Canada in like business should not compete with the manufacturers of the United States. Being a business man like himself, I was interested and somewhat surprised to hear him make that most extraordinary statement. The hon. member knows that if we had in this country a market of 110,000,000 people, if our turnover was as great as the turnover of similar industries in the United States, of course, Canadians would be able to compete successfully with our American neighbours. But the hon. member for Marquette must know that when an industry is in operation, the cost of production depends upon the turnover. Therefore, it is a very unfair statement to make that Canadian manufacturers, with a limited market, with keen competition, in a country with a population of less than 9,000,000 people and an output so much smaller than that of our American friends, should be able to compete with American manufacturers on even terms. The tariff policy for Canada is the one enunciated by the right hon. the Prime Minister. We want to maintain a moderate protective tariff. The United States since the Civil War has maintained, not a moderate protective tariff, but a very high protective tariff. On this side of the House we are not in favour of a high tariff, but we believe that to make Canada great, in agriculture, in mining, in finance, in manufacturing, and all the other vocations of life, we must maintain a moderate protective tariff in this country. That tariff is not intended solely for, and does not serve only, those who are engaged in dustrial life; it serves equally every citizen of Canada, no matter what his vocation in life may be.

I pass from our Agrarian friends to the hon. leader of the Opposition (Mr. Mackenzie King). We have heard enunciated on more than one occasion the fiscal policy on which the hon. gentleman was elected leader of his party at the National Liberal Convention in this city in August, 1919, but for the sake of continuity in my remarks I crave the indulgence of the House while I place that fiscal policy on the pages of Hansard. It is as follows:

> That the best interests of Canada demand that substantial reductions of the burdens of Customs taxation be made with a view to the accomplishing of two purposes of the highest importance: First: diminishing the very high cost of living which presses so severely on the masses of the people; Second: reducing the cost of the instruments of production in the industries based on the natural resources of the Dominion, the vigorous development of which is essential to the progress and prosperity of our country.
>
> That, to these ends, wheat, wheat flour and all products of wheat; the principal articles of food; farm implements and machinery; farm tractors, milling, flour and saw-mill machinery and repair parts thereof; rough and partly dressed lumber; gasoline, illuminating, lubricating and fuel oils; nets, net-twines and fishermen's equipments; cement and fertilizers, should be free from Customs duties, as well as the raw material entering into the same.
>
> That a revision downwards of the tariff should be made whereby substantial reductions should be effected in the duties on wearing apparel and footwear, and on other articles of general consumption (other than luxuries), as well as on the raw material entering into the manufacture of the same.
>
> That the British preference be increased to 50 per cent of the general tariff.
>
> And the Liberal Party hereby pledges itself to implement by legislation the provision of this resolution when returned to power.

I think it is only fair that when the hon. leader of the Opposition rises in his place in this House to speak on the Budget, he should tell us in very clear terms that he absolutely stands behind this platform on which he was elected. On this side of the House we also expect hon. gentlemen opposite to get up in turn and say that they stand for this fiscal policy that I have just read. Let us for a moment just look at what would happen if such a misfortune occurred as hon. gentlemen opposite being returned to power. Business is extremely depressed at the present time.

Some hon. MEMBERS: Hear, hear.

Mr. BALLANTYNE: I am glad, in a way, to hear my hon. friends say, "hear, hear." There is a special reason for business being depressed at the present time. All business men know that we are now in this year 1921, for the first time in the readjustment period for business since the war. Every manufacturer, every wholesaler, every retailer, throughout this country has large stocks of raw material and finished goods on hand. These goods could be replaced to-day at half their original cost, and consequently business men are not going to make very much profit, if any at all, this year. Then the stocks which had become depleted throughout the world have been replenished, and as a consequence Canada, in common with all other nations

of the world, feels the depression through which we are passing at the present time. But we have this consolation in this country. Canada is standing this period of depression better than any other country that I know of. The United States is feeling it even more than Canada; the United Kingdom and all the other countries of Europe are feeling it more than we are. In this period of depression my hon. friend the leader of the Opposition and those who sit behind him say: We solemnly pledge that if we are returned to power we will do two things immediately—there will be a general revision of the present tariff, and we will increase the British preference from 33⅓ to 50 per cent. I wonder how my hon. friend from Quebec East (Mr. Lapointe) is going to square himself with his electors on that policy?

Mr. LAPOINTE: Don't worry.

Mr. BALLANTYNE: The constituency of Quebec East, which my hon. friend represents in this House, is teeming with boot and shoe factories. Now, one of the planks of the platform of the Liberal party which I have just read is that there shall be substantial reductions in the duties on footwear. Therefore, the boot and shoe manufacturers of Quebec East, along with the boot and shoe manufacturers of the rest of Canada, who are already suffering so much from business depression, would not only be placed in a very much worse position if hon. gentlemen opposite should reach the seats of power, but in my judgment, they would be put completely out of business.

Then, how would our great woollen and cotton manufacturers in the province of Quebec and the other provinces of Canada fare with a sweeping reduction of the present tariff and an increase in the British preference from 33⅓ to 50 per cent? When the leader of the Opposition went down to the city of Montreal, the commercial metropolis of Canada, he never said a word about this fiscal policy of his; I read his speech very, very carefully. He went down to a love-feast there, at which a great banquet was tendered to the ex-Prime Minister of Quebec, Sir Lomer Gouin, and all that the leader of the Opposition had to say on the tariff question was this—that he wanted a new representation in the House of Commons. I would have expected my hon. friend, speaking in the great manufacturing and commercial city of Montreal, to have said that the policy of the National Liberal and Conservative party of moderate protection was a false one, and that the policy which I have read, which was adopted by the Liberal party in convention in this city in 1919, was the policy for this country. I would have expected him to say: When we get into power we will make sweeping reductions in the tariff, and increase the British preference to 50 per cent, and I will show you how that will increase the population of the city of Montreal and benefit the great manufacturing and commercial institutions of this city. But my hon. friend had nothing whatever to say about the tariff, except what I have stated. However, when he got to the sunny slopes of the Pacific he made quite a different speech. Speaking in the city of Victoria, on September 27, 1920, he said:

> That brings me to the policy of the Liberal party as respects the revision of the tariff. We believe that the time has come, indeed, that it is already long passed, when a downward revision of the tariff is necessary. In this revision we believe should be substantial reductions of the duties on the necessities of life. In other words, on these articles which go to make the food, the clothing, the shelter of the Canadian people; that certain specific articles required for the purpose of consumption, and other articles essential to production, should be placed upon the free list.

That is the speech of the leader of the Opposition (Mr. Mackenzie King), when he was out in the West touring the Prairie Provinces, but it was not the speech which he delivered on the tariff question in the Peterborough election, or when he was in the city of Montreal.

Mr. MACKENZIE KING: May I ask from what paper my hon. friend is quoting?

Mr. BALLANTYNE: I am sorry I have not the name of the paper from which I have read this extract, but I can quote another journal. My hon. friend wrote an article for Maclean's Magazine, published on January 15, 1921, stating the same views in pretty nearly the same words. Now, I think it is only fair that my protectionist friends from the province of Quebec should tell their constituencies and this House whether or not they endorse the new fiscal policy which is now proclaimed by the Liberal party. The hon. member for Waterloo North (Mr. Euler), went down to my city a few weeks ago, and in speaking before the Reform club, he came out flat-footed for the policy of protection; and, I believe, the hon. member for Lambton (Mr. Pardee), was down there last year and also delivered a protectionist speech. The hon. member for Maisonneuve —Gaspé (Mr. Lemieux), also makes protectionist

speeches. In view of these facts, I think it is only fair to their leader, and to the loyalty which I am sure they all bear him, that they should give him their united support on this policy and declare that they believe, not in the Laurier fiscal policy, but in the King policy; and in all their constituencies throughout the province of Quebec they should state what they are going to do in regard to the tariff. In this connection, I desire to offer my congratulations to the hon. member for St. Hyacinthe-Rouville (Mr. Gauthier).

Some hon. MEMBERS: Oh, oh.

Mr. BALLANTYNE: Hon. gentlemen opposite laugh, but I want to say for the member for St. Hyacinthe-Rouville that he is more of a true Laurier Liberal than any of them.

Some hon. MEMBERS: Oh, oh.

Mr. BALLANTYNE: He stands by the principles of that great statesman, not only on matters of fiscal policy, but also on questions connected with all the other old and well-known policies of the Liberal party. The hon. member for St. Hyacinthe-Rouville, I say, is more of a true Laurier Liberal than hon. gentlemen who occupy seats opposite me now under their new leader. Why did the member for St. Hyacinthe-Rouville leave his party? The hon. member for Brome (Mr. McMaster), using his great imaginative powers, suggested that I had been fishing.

Some hon. MEMBERS: Oh, oh.

Mr. BALLANTYNE: Well, let me say that I would have considered
4 p.m. it an honour had I been able to land such a splendid fish as the member for St. Hyacinthe-Rouville.

Some hon. MEMBERS: Oh, oh.

Mr. BALLANTYNE: My hon. friends opposite know perfectly well that the hon. member in question left them because he did not believe in this new fiscal policy. He knew that it was not the policy of the right hon. Sir Wilfrid Laurier; he knew that it was not the policy of the member for Shelburne and Queen's (Mr. Fielding), who had been Minister of Finance for fifteen years. The member for St. Hyacinthe-Rouville, in his own eloquent way, informed us that when this celebrated convention was held in Ottawa in August, 1919, he disapproved of and dissented from the policy then laid down.

Some hon. MEMBERS: Oh, no.

Mr. BALLANTYNE: I am quite prepared to accept the words of the hon. member for St. Hyacinthe-Rouville. That hon. gentleman left the present Liberal party because its fiscal policy is not the fiscal policy of the late Right Hon. Sir Wilfrid Laurier; it is a teetotally different policy, not only in regard to the tariff, but in a great many other ways; and if an hon. member in this House is conscientiously of the opinion that his old associates have renounced the policy upon which they were elected, and to which they adhered for fifteen years, while they were in power, surely in this free Parliament and country, no one can find fault with him for leaving the party, and taking up his stand in No Man's Land.

Some hon. MEMBERS: Oh, oh.

Mr. BALLANTYNE: I am glad to find my hon. friends in such a jovial frame of mind. Now, for the first time since 1917, owing to the regrettable death of the late member for Yamaska, there is a vancancy in Quebec, that county is open. For the first time since 1917 the electors of the county of Yamaska, in the province of Quebec, are going to show what they think of the hon. leader of the Opposition and those who are behind him. They are going to register their votes as to whether or not they agree with that party's fiscal policy. I do not claim to be very much of a prophet—

Mr. DUFF: No, that it right.

Mr. BALLANTYNE:—but I venture the assertion that on May 29—and I trust that the House will be in session at least until that time—hon. members opposite will not be as jubilant as they are to-day, unless all the information that reaches me is absolutely wrong.

An hon. MEMBER: You are premature.

Mr. BALLANTYNE: If my hon. friends will just possess their souls in patience—

Mr. DUFF: Why do not you?

Mr. DEPUTY SPEAKER: Any hon. member who desires to interrupt the hon. member will please do the House the courtesy of rising in his place and asking permission to put any question he wishes to have answered.

Mr. LAPOINTE: May I ask the hon. gentleman a question? Is there a candidate in the county of Yamaska representing the Government?

Mr. BALLANTYNE: Certainly, Mr. Mondou is the Government's candidate. Now, I know that the hon. member for Lunenburg (Mr. Duff) does not like to hear these truths about the province of Quebec. I have the honour to represent the province of Quebec in this House—

Mr. DUFF: You do not do any such thing; you do not represent Quebec.

Mr. BALLANTYNE: If at this late date the member for Lunenburg does not know that the Minister of Justice (Mr. Doherty) and myself, two ministers of the Crown, represent in this House the entire province of Quebec—

Mr. DUFF: No, sir; oh, no.

Mr. BALLANTYNE:—and not only the province of Quebec but the Dominion of Canada at large—

Mr. DUFF: Is that so?

Mr. BALLANTYNE: My hon. friend seems to think that cabinet ministers are elected to represent merely the constituencies that return them to the House.

Mr. DUFF: Certainly.

Mr. BALLANTYNE: Not at all; every minister of the Crown represents the Dominion as a whole, and if my hon. friend does not know that, I am very glad indeed to inform him now.

Mr. DUFF: The province of Quebec, then, is poorly represented.

Mr. DEPUTY SPEAKER: Order. The hon. member can only ask a question with the permission of the member who has the floor, any other utterances is an infringement of the rules of the House.

Mr. BALLANTYNE: I was proceeding, Mr. Speaker, to say that although I speak the English tongue and my good friends opposite, who represent the province of Quebec in this House, speak the French language—

Mr. BUREAU: We speak the English language also.

Mr. BALLANTYNE: —nevertheless, I have the same privileges on the floor of the House as they have, and when I come here I speak for the province of Quebec, which I have the honour to represent in this House. Hon. members from the province of Quebec have talked a great deal about the isolation of that province—they say the Government is isolated by reason of there being no representation from Quebec in the Cabinet. Well, I want to say, with a fairly good knowledge of the province, that the people of Quebec do not display any antagonism towards this Government and do not wish to isolate it. The only isolation that does exist is the political isolation, that exists here, the political "bloc" that now represents the province in this House. All the efforts of my hon. friends opposite are going to be concentrated on the maintenance of that "bloc." Read the speeches of hon. gentleman opposite who have been in Yamaska county recently. Not a word shall we find there about the fiscal policy, or the railway policy, or any of the big problems that are confronting Canada at the present time. No, their efforts are concentrated, as we all knew they would be, on the maintenance of the present "Liberal bloc." I will not read to the House what these hon. gentlemen are saying. I have always been opposed to saying anything that would hurt the feelings of any race or creed in Canada, and I am going to continue that policy. I admire the French people, I admire their language and their religion, and while I am in public life I will never make a speech, either in this House or out of it, on racial or religious questions. If this Government cannot carry Yamaska county without raising the ghost of the late Sir Wilfrid Laurier, and talking about racial and religious questions then, as far as I am concerned, we are prepared to lose that county. But I want to say, Sir, that Quebec does not want any condition of isolation. The people of Quebec want their full representation in this Government and, using the words of the Prime Minister, when he went to Sherbrooke and the city of Montreal on a recent occasion. "We all hope that the day is near at hand when the old province of Quebec will have her full and her complete French representation in the Government of Canada."

Mr. VIEN: After a general election.

Mr. BALLANTYNE: The feeling in Quebec is changing, and my hon. friends opposite know it.

An hon. MEMBER: So you say.

Mr. BALLANTYNE: I had the honour of making a political tour with the Prime Minister through the beautiful Eastern Townships. He was enthusiastically received by huge crowds of people in every town he visited, including the city of Sherbrooke. Not only that, but the French-Canadian mayors of the various towns visited, in accordance with the customary

courtesy of the French people, not only gave him a most enthusiastic welcome but, everywhere he went, presented him with illuminated addresses in both English and French. In the drill hall in the city of Sherbrooke the Prime Minister was welcomed by a crowd of something like 7,000 people—the building was packed to the doors. Leaving that city and coming to my own city of Montreal a banquet was there tendered to the Prime Minister by the citizens generally of that commercial metropolis, and not by the members of any political party. Over 700 people crowded into the banqueting hall on that occasion, there was not even standing room left, and it was most gratifying to the Prime Minister and myself that the large majority of those in attendance were of the French-Canadian race. What does that mean? That means that any unfortunate feeling that may have been created during the stress of war has passed away. In the province of Quebec there are, of course, large numbers of Conservatives. The people of Quebec are a protectionist people, they do not believe in free trade, they do not believe in increasing the British preference to fifty per cent. They are intensely interested in stable government. They have a distinct leaning towards the party in power that stands for the policy of moderate protection; and difficult as the task may be in that province I can say, in all friendliness to my hon. friends opposite, that when the next general election is over there will be no repetition of the results of 1917—that out of 65 seats 62 Liberals were elected and only 3 members on this side of the House.

Mr. ARCHAMBAULT: Let us have an election, then.

Mr. BALLANTYNE: My hon. friend from Chambly-Vercheres will get an election in due time, and when that election is over there will be very much larger representation of good French Canadians from the province of Quebec on this side of the House than there is at the present time. To use the words of the hon. member for Red Deer my hon. friends opposite from the province of Quebec are something like Admiral Nelson—they always put the glass to the blind eye. They fraternize one with the other and can see nothing but victory ahead for themselves—they can see nothing but the maintenance of this "Quebec bloc." One of the sheep has jumped over the walls of the pen and is wandering loose at the present time; in spite of that however they are confident they can maintain the "Quebec bloc." As to that let me quote from the greatest French Canadian paper in the province of Quebec, a journal that is published and printed in my own city, La Presse.

Some hon. MEMBERS: Oh, oh.

Mr. ARCHAMBAULT: What was the price of the sale?

Mr. BALLANTYNE: I am very much gratified to hear the derisive remarks that now come from hon. gentlemen opposite. For years and years nothing they could say was too good for La Presse. They now think we have bought that paper.

Some hon. MEMBERS: Hear, hear.

Mr. BALLANTYNE: Let me say to my hon. friends that such has not occurred. No influence, direct, or indirect has been brought to bear upon La Presse. On the contrary the astute proprietor of that journal sees the unfortunate condition of the province of Quebec resulting from the maintenance of the policy of stupid isolation that my hon. friends opposite would like to see maintained, and so La Presse, with a daily circulation of over 140,000, represents the true expression of opinion of the French Canadian people in the province of Quebec.

Some hon. MEMBERS: Oh, oh.

Mr. BALLANTYNE: I will not read the whole of the editorial to which I have reference. Doubtless, as my hon. friends opposite used to take such great pleasure in reading La Presse in the fighting times when it was standing up for the Liberal party, I am sure they would like me to read the whole of the editorial. Now this is what La Presse says:

> In view of these facts there can be but one logical conclusion:—
>
> Let us preserve an economic regime which has proved itself so splendidly beneficial, and let us continue protection which is the basis of that regime.
>
> "La Presse" which, ever since its foundation, has never ceased to be the convinced and determined champion of the principle of protection, in the presence of such evident confirmation of the justness of its attitude, remains more than ever convinced that it is essential for the future of Canada to maintain this principle of protection as the basis of our tariff policy.
>
> It is not at this time, when, owing to the universal upheaval caused by the war in the economic field, any error may have disastrous consequences for Canada, that one can reasonably think of abandoning a principle which offers such guarantees for the future. Let us not abandon realities for dreams.

Those opinions are the opinions of the majority of the people from the province from which I come—

Some hon. MEMBERS: Oh, oh.

Mr. BALLANTYNE: —and I want to say to hon. members who come from other parts of Canada that I am glad of this opportunity to exhibit to them this other picture from the province of Quebec, and to tell them something about Quebec which hon. members opposite would not deem it to be in their best interests to tell.

Mr. TRAHAN: What was the date of the article from which the minister quoted?

Mr. BALLANTYNE: I can give that, I have it here.

An hon. MEMBER: Read it in French.

Mr. BALLANTYNE: I can do that, too, if the hon. member wishes. The date of the issue of La Presse in which that editorial appeared was January 29, 1921.

In conclusion, Mr. Speaker, I have only to state that I shall certainly register my vote against the milk-and-water amendment that has been moved by the hon. member for Shelburne and Queen's (Mr. Fielding), and I am sure all my colleagues will have very great pleasure in also voting against it. Let me repeat, the party to your right, Sir, has a clearly defined fiscal policy of moderate protection. And I hope that hon. gentlemen opposite will tell the House that they stand behind their leader and will support the fiscal policy on which he was elected.

Mr. MICHAEL CLARK (Red Deer): Mr. Speaker, I should like on rising to re-echo very emphatically and very sincerely the words of my hon. friend who has just resumed his seat (Mr. Ballantyne) when I understood him to express the hope that we may carry on our fiscal and other controversies without mixing them up with echoes of the war or with those very much more detestable controversies that have been connected with our race and creed. I will not follow my hon. friend in his piscatorial exploits, neither will I follow him in his prophesy on by-elections. Personally I feel on much safer ground in thinking of the by-elections that are just over than I do in dwelling on the problematical result of those that are yet to come. I may refer to two or three points that my hon. friend has raised in regard to the real fiscal controversies that gather around the Budget, and I hope he will excuse me if I do not follow the general run of his speech.

Mr. Speaker, I think the country is to be congratulated upon the fact that the Budget of my hon. friend the Minister of Finance (Sir Henry Drayton) and the amendment that has been moved by my hon. friend from Shelburne and Queen's (Mr. Fielding) raised a very clear and unmistakable issue for Parliament and the country. Nothing has amused me more from time to time in this House than when some hon. members opposite have seemed to assume that in following the economic doctrines of Adam Smith, Bright and Cobden I have been presenting in my humble way to this House and the country something of an ancient date, while protection is of comparatively modern origin. Now, I should like any hon. gentlemen opposite who labour under that delusion to allow me to remind them that quite casually in the Wealth of Nations, which was published in 1776, Adam Smith remarks that the term "customs" is in all probability derived from the fact that tariffs have been the customary method of raising revenue from time immemorial. So that tariffs were very old one hundred and fifty years ago. I do not know whether my hon. friend the Minister of Finance is aware that, equally casually, Adam Smith in his great work remarks that the manufacturers of Holland had been ruined in his day by taxes on the necessaries of life. With this little piece of history I am led to observe that a Tory minister in an ultra-Tory administration therefore is quite properly occupied when he adopts these ancient devices as his mainstays, throws every pretense to the winds and arrays himself in the fiscal rags of pure, unadulterated Toryism.

The country was prepared in some measure for this attitude on the part of my hon. friend by what I hope I may venture, without offence, to term the pristine innocence of his fiscal mind as revealed in some addresses he gave to the ladies of Toronto and Montreal. He made the inquiry in both of those addresses, I think: What is the matter with Canadian strawberries? Well, if I had been in the audience I should have said: There is nothing the matter with Canadian strawberries, except that they resemble my hon. friend's Budget in being a little late in making their appearance. He backed up his first question to the ladies by asking: Cannot you wait? That query, Mr. Speaker, would have been all right before the invention of the locomo-

tive. But the locomotive has been in use for 109 years, and the simple reason why the ladies should not wait, let me tell my hon. friend, is that the locomotive, so to speak, beats the sun. We can use the locomotive to get American strawberries before the sun gives enough heat in this part of the world, which is farther north, to bring our strawberries to ripeness. And honestly I cannot undestand the frame of mind of my hon. friend. Certainly it was not benevolent towards the ladies when they come out of the long winter to want them to cut off from themselves the refreshing and succulent berry that they can get a little earlier from the United States than in our own climate.

I do not know whether my hon. friend is aware that last autumn the reverse process took place. Does he know that Americans then bought whole vineyards of Canadian grapes? I do not know why their purchases were so extensive unless under prohibition they were establishing private stills to a very great extent down there. In any case, the fact is as I state. Now, would my hon. friend repeat that argument about strawberries in this House? The international boundary is punctured at over thirty points by railways running from one country to the other. Would he have the $70,000,000 deficit on the railways wait also? I think it is a much more sensible business to carry the strawberries north in the spring and the grapes back in the fall. It is a perfect illustration of the benefits of reciprocity, and incidentaly points to a method of dealing with your railway deficit. I submit that you will not deal very well with your railroad problem by making your railroads wait for freight until the sun ripens our berries.

As I say, these are very ancient doctrines, but they have this merit, that they are an honest presentation of an old-fashioned policy, and, if anybody doubted that, he only needed to note the interesting and beatific expression on the faces of the right hon. the Prime Minister (Mr. Meighen) and the Minister of Trade and Commerce (Sir George Foster) as they drank the pure mediaeval milk from the neophyte of fiscal paganism. My hon. friend not only nailed antediluvian Toryism in the matter of fiscal policy to the mast, so to speak, but he made it clear that there has been a final submission on the part of the party opposite to the vested protectionist interests of this country. My right hon. friend the Prime Minister made his submission a year ago. I do not want to refer further to the speech which he delivered upon that occasion except to quote a single figure to bring his education in regard to the fiscal condition of Britain up to date. Facts have been very severe with him since he made that famous speech in the Budget debate of last year. I note from the Board of Trade returns in England that British exports in the year 1919 were represented by the figure £798,-638,000. In the year 1920 they were represented by the figure £1,335,569,000. In other words, the exports of Great Britain in her last fiscal year nearly doubled those of 1919, the year in the middle of which the Prime Minister droned a solemn requiem over the supposed departed commercial glories of Great Britain. Well, I think that fact is well worth bringing out in this connection.

The Finance Minister, I say, now bends his neck to the yoke under which my right hon. friend put his neck a year ago. Both the hon. gentleman and the right hon. gentleman suffer from a fiscal disease which, for the want of a better name, I might call importophobia; they have got American exports to this country on their brains. Now, I have said again and again in this House that there is a method of preventing what is called the "adverse balance of trade" in our commerce with the United States. If we want to prevent that we must stop borrowing from the United States and we must discourage the investment of American capital in this country, because the two processes account for the adverse balance of trade, so-called. I wonder, Mr. Speaker, how many hon. gentlemen in this House noticed the other day a paragraph in a newspaper which informed us that Americans controlled 95 per cent of mining investments in Canada; 100 per cent of the pulp and paper investments in Western Canada; 75 per cent of the lumber industries and 75 per cent of the fisheries. The fact of the matter is that in the last ten years, under a government which came into power on the cry of "No truck or trade with the Yankees," this country has been rapidly passing into the maw of American capital, and it is American capital invested in our industries that constitutes a large measure of the so-called adverse balance of trade. And my hon. friend the Finance Minister is not tired of the process, because in his Budget speech he said: We must have foreign capital. I cannot understand his

attitude upon that question. He understands the economics of the question just as well as I do, and I cannot understand his position when at one time he mourns the excess of American imports and at another time says that we must have the foreign capital, which can only come into this country in the form of the imports which he mourns.

Well, what is the problem with which the nation is confronted at the present time? Briefly it is this: that after what my hon. friends opposite assert to have been well on to half a century of the so-called National Policy, in a country of unparalleled resources in extent and value, with only three people to the square mile, we are face to face with a national debt of $2,350,000,000—largely due to the war, let me admit with the utmost frankness; it need not have been so big if the previous Finance Minister had taxed as my hon. friend is doing, but it is largely owing to the war, nevertheless;—we have a national railway system which showed a deficit of $70,000,000 last year; we have what I am afraid is an utterly unprofitable and losing mercantile marine which has swallowed millions upon millions of the money of the people of this country; our cities are crowded with unemployed, and they are most numerous in Montreal, Vancouver and Toronto, where the shipbuilding escapades of the Government were undertaken to cure unemployment; farm products have already declined to a non-paying basis; and our foreign commerce at the moment as well as our internal trade is declining at an alarming rate. That is the condition of the country, and it is a condition that should give all thoughtful citizens pause. But there is no pause to the Government, for their cure is "more National Policy," as I shall show in a minute. Well, on the ground of ordinary common sense, I should say that if a patient has had a certain treatment for forty-three years and at the end of that period shows this lamentable condition according to the statement of hon. gentlemen opposite, the country would be well advised in doing what I am quite sure it is going to do at the first opportunity—try a change of doctor and a change of medicine. I repeat that the prescription of hon. gentlemen opposite for this condition is more National Policy. It is true that ostensibly the Budget presents but few tariff changes. We are told that this is no time for a tariff revision. My right hon. friend the Minister of Trade and Commerce (Sir George Foster) laboured this point very hard yesterday. I must confess that I could not see very much in the reasons he urged for this action. A simple answer to all he said would be: If it be not an afterthought to state that the tariff is not being revised because of the unstable conditions the world over, why did you have a tariff commission going from the Atlantic to the Pacific last year?—why the waste of money? If there was to be no tariff revision there surely should not have been a tariff commission last year. That is a simple answer, and I am very much afraid that the failure to revise the tariff at this session would get a truer, as it certainly would get a better, defence if my hon. friends based it not on the instability of conditions throughout the world but on the well-recognized instability of the Government and its majority.

But is it true that we have no revision? Mr. Speaker, I think not. The Budget gives a revision of the tariff, and a very serious revision upwards. In the first place, what does the one per cent extra on all imports amount to but a raising of the tariff? It is the same operation; call it what you like, it is an increase of the import duties on goods coming into the country, and on almost all goods. There are exceptions, but it relegates quite a large number of articles to the past, as regards the free list. It is an immense increase of the tariff burdens of the people of this country. In the second place, for all practical purposes, the revision, in accordance with exchange rates, in the method of collecting of duties is also a very substantial revision of the tariff upwards. Therefore, it is not a fact to say that we have no revision of the tariff in this Budget, we have a great increase of the tariff. Whether you call these taxes tariff or sales taxes, what the people of this country are concerned to know is the real nature of these taxes and their effect upon the national disease, as I call it, which I venture to describe to this House in simple terms which no one can contradict. Whatever we may call the taxes upon which my hon. friend relies largely for his revenue, they are all taxes upon consumable commodities used by the people in this country. Let there be no mistake about that; that whether they are what are commonly called tariffs, or an increase of import sales taxes, or sales taxes imposed upon goods manufactured in the country, they are all of them taxes upon consumable commodities.

I think that a fourth-form school boy cannot fail to follow the simple process of reasoning by which the inevitable and undoubted effect of these taxes can be worked out. What is the effect of taxes upon consumable commodities? Its first and immediate effect is to raise the price of the commodity. But if it raises the price, what must of necessity be its next effect? Supposing the article in question to be a suit of clothes; supposing that before these taxes are imposed, the money that any given consumer has to spend on suits of clothes is $100—that that is what his personal Budget will allow him to spend upon clothes. If clothes could be bought for $33 a suit, clearly he could buy three suits with the $100; but if the price were by any chance raised to $50, and he had only $100 to spend upon suits, just as clearly he could buy only two suits. Therefore, the first effect of a tax upon consumable commodities for people of limited income—and that means the vast majority of the people of this country—is to increase the price; and the second, inevitably, is to limit the consumption. These are the elements of political economy which have been taught by these supposedly "obsolete" teachers for at least a century and a half. What follows inevitably on decreased consumption is decreased production. Increase the price of the consumable commodity and you decrease the consumption; decrease the consumption and you decrease the production; and if you decrease the production, you lessen the work of the workmen of the country, you increase unemployment. That is what my hon. friend confessed, in the middle of the fiscal year, that his taxes of a year ago did; it was what he was told at the time they would do, and to that extent the Government of the day in this country, where our economic problem is so simple, are, on account of their fiscal policy, as responsible for a large measure of unemployment as if they had ordered a lockout of the workmen. That is the nature of all these taxes, and that is the method of their operation.

I want to go a little further in my opposition to them and to say that taxes of this kind, whether they are tariff taxes or sales taxes, break the three main principles of taxation which all political economists of note have given their adherence to as sound principles. Taxes, in the first place, should be collected as much as possible in proportion to the ability of the taxpayer to pay. That is simple common sense. Any one who thinks for a moment will come inevitably to the conclusion that a workman who has to calculate very carefully with his wife on a Saturday night how his week's wages will provide the absolute necessaries of life for himself, his wife and his children, is not a very fit subject for heavy taxes. But these taxes place just as big a burden upon a navvy as they do upon a millionaire. They put a bigger burden upon the navvy than upon the millionaire along many lines, because the navvy wants more clothes in the hard work that he does than the millionaire. As a rule, the navvy has a bigger family than the millionaire, and he is taxed upon the articles of clothing worn not only by himself but by every member of his family down to the baby in its long clothes and its little woollen boots.

The second principle of taxation is that all taxes should be certain, and not arbitrary. If you have an income and pay an income tax, the tax is certain as to time, amount and place, according to the size of your income. But these indirect taxes are absolutely arbitrary. If you buy, you pay, and if you do not buy, you do not pay. In other words, the open-handed, free spender pays taxation; the stingy man who puts his money in the bank gets off paying taxes as regards indirect taxation to the extent that he is stingy. I do not object to any man saving, but I think we ought to have a method of taxation that takes a fair proportion of his savings for the state. Taxes ought to take out and keep out of the pockets of the taxpayer as little as possible beyond what is necessary to carry on the government of the country. In the case of all direct taxation, that is the result; for every dollar collected by income tax or succession duties goes to the Government except a few cents for expenditure in connection with the collection. But in the case of a tariff, we take two, three, four times as much from the taxpayers as the Government gets, the two hundred or three hundred extra per cent going into the pockets of those who are protected under a tariff. That, briefly, is what I have to say about the defects of the Budget so far as I see them.

I have said that a clear issue is raised by the Budget, on the one hand, and the amendment on the other. I notice that my hon friend the Minister of Trade and Commerce (Sir George Foster) is a little doubtful about the kind of support the amendment is likely to get on this side of the House. I think he expressed a doubt as to how far my hon. friend from

North Cape Breton and Victoria (Mr. McKenzie) and I could sail in the same boat. Well, in regard to that, Mr. Speaker, I should just like to say that we sailed in the same boat on reciprocity ten years ago, and we shall sail in the same boat on this amendment. I do not care to speculate any further than the present moment in my history and the history of my hon. friend. But why should the hon. Minister of Trade and Commerce see such a difficulty in reconciling what he considers moderate divergencies of opinion? I recall that ten years ago this spring, he delivered a speech in the reciprocity debate, and was immediately followed, in a contrary sense, by the present Minister of Militia (Mr. Guthrie); but they now seem to sit very comfortably in the same Cabinet so far as their personal relations are concerned, though I am bound to say that external evidences from time to time show that they are both afflicted with a similar apprehension as to the results in an election which now cannot long be postponed. A more recent case of reconciliation than that occurs to me. My right hon. friend the Prime Minister, with what I am sure is a grim sense of humour which he manages to hide most of the time—for he is a very serious-minded man—when he went west took with him my hon. friend the Minister of Immigration and Colonization (Mr. Calder), and he took him west for the very specific purpose of making him toe the line on tariff matters—and he did some line toeing, all right. No doubt it was not difficult, because he saw a light, either before the journey or on the journey. The Prime Minister got the truth into him, and he toed the mark. I have an opinion, Mr. Speaker, that he did not see much light. What really happened to him was that he was led into a swamp by a fire-fly. But the fact that the Minister of Immigration and Colonization met with an accident of that kind furnishes a very small obstacle in the way of an energetic Highland Scotchman nimbly jumping into the light of the sun; and while I cannot congratulate the Minister of Immigration and Colonization, I congratulate myself and my friend hon. (Mr. McKenzie) that for the moment at any rate we are getting along all right. This is a first-rate amendment, and I think the betting is good that my hon. friend from North Cape Breton and Victoria will support it.

Now I want to examine the amendment just a little, because with the Budget it raises, as I say, a very distinct issue for the people of this country. My right hon. friend the Prime Minister, with a courage and honesty which I think has done a great service to the public life of Canada, has left the people in no doubt as to where he stands on fiscal matters. He stands on the principle of protection. With equal benefit to honest politics in this country, an amendment has been produced on this Budget which is in disagreement with the principle of protection. It challenges the principle of protection.

Mr. CURRIE: Hear, hear.

Mr. MEIGHEN: There are no "hear, hears" opposite.

Mr. CLARK (Red Deer): But the amendment is there, and it challenges the principle of protection.

Mr. MEIGHEN: Wait till you hear what they say.

Mr. CLARK (Red Deer): It cannot be otherwise coming from an Opposition to this Government, because, as I said in a previous debate this session, the principle of protection is typical Toryism. What is the principle of protection? Stated briefly, it is that the consumers of the country without exception should be taxed for the building up in a specific case of a single industry. That is most specific Toryism, according to the whole history of the creed. Why, when the name Liberal was first introduced into the politics of the Old Country, what were the political conflicts of the time? It was about the year 1828 when the term was first applied to the party of progress in the Old Country. And what was happening at that time? The Tory party was engaged in its congenial occupation of defending the privileges of the few and resisting the rights of the many. In the year 1828 the Test and Corporation Acts were repealed. These Acts, which had stood for generations upon the statute books of Great Britain, declared that men should not be members of corporations or attend the public universities unless they were members of a given church, and that church the Church of England. But progressive thought said: You have no right to put disabilities upon the great masses of people who do not think with you religiously. And the Test and Corporation Acts were repealed. In the next year the fight was on Catholic Emancipation. It is well to go back to the old history books occasionally just to know what the fight has been for progress in this world. In 1829 Catholic Emancipation

was carried in the Old Country. It is difficult to believe that before that time, less than one hundred years ago, the people of the dominant church and the dominant party had said that no man who was a Catholic should have civil rights in Great Britain.

Mr. ARCHAMBAULT: That is Toryism.

Mr. CLARK (Red Deer): That was Toryism in 1829.

Mr. CURRIE: It was a Tory Government that repealed that Act. Yes, it was. What are you talking about?

Mr. CLARK (Red Deer): It was a Tory leader that repealed the Corn laws against the votes of his own party. If my hon. friend wants to stand on that ground, he will take political kudos out of the fact that he himself was elected in the year 1911 for refusing free wheat, because afterwards his leader gave free wheat. The people who carry reforms are not the people who come in at the finish when popular opinion can no longer be resisted, but the people from generation to generation who fight for them against the Tories. Before the year 1832 there were boroughs in England with five people electing two members to Parliament, at the dictation of a duke. Liberal and progressive thought said: This is an iniquity; we will have a Reform Bill. And they carried a Reform Bill against the Tories of that day. In 1846, it is true, Sir Robert Peel carried the repeal of the Corn laws, but in doing it he paid a tribute to Cobden, which I put on Hansard two years ago, as magnificent as a magnanimous man can pay to the real reformer in the case. I do not know whether such a magnanimous tribute is lost or not on my hon. friend from North Simcoe (Mr. Currie). In 1867, against the determined resistance of Toryism, or rather of a Tory leader, the workingmen in the boroughs of England were given the vote. Again, my hon. friend would claim that in history it was the Tories that fought for it. Every one knows that the opposite is the truth; but that is the general character of my hon. friend's beliefs. In 1885, the franchise was extended to people of the counties, through the same progressive and liberal influences; and in 1892, incomparably the greatest statesman of the nineteenth century would have saved us from the horrors we meet with in reading our papers morning by morning, in connection with Ireland, by giving a moderate degree of Home Rule to that distracted land. That the policy was right is conceded to-day by those who opposed it at the time. There has been no finer tribute to a dead statesman than was uttered by Lord Curzon, a blue blood of the blue bloods, a Tory of the Tories, when he rose the other day in his place in the House of Lords and said: "I am afraid Your Lordships' House was not wise in regard to previous Home Rule Bills." There is something pathetic about historic Toryism, Mr. Speaker. It is always dying in the last ditch for a forlorn hope, and that is what is being done, I am sorry to say, by one who should be broader at his time of life in regard to this principle of extreme protection in Canada. This is regrettable; it is pathetic to see an antediluvian at 45 years of age. I have said this much in illustration of what Toryism is, and what Protection is; they are interchangeable so far as fiscal matters are concerned. Toryism is always looking after God's chosen few—and they are the few. On the tariff, your typical Tory in Canada says: "Wheat, of course, is the article you produce in abundance, and it would pay the national debt; but in my riding they grow tomatoes." And even my hon. friend the Minister of Finance gave an illustration of Toryism. He said that butter was the thing. But we shall not pay our national debt by exports of butter and tomatoes; we cannot pay the national debt with surplus tomatoes and surplus butter. Yet that is the attitude of Toryism; look after the tomatoes, never mind the abundant wealth of wheat and cattle produced on your boundless acres in Western Canada.

There are three great needs, in my judgment, for this country at the present time,—and I am avoiding, I think every one will admit who listens to me, the party talk that has somewhat prominently characterized the speeches which I have heard in this debate since the first two were delivered. The first great and urgent need of this country at the present moment is to increase its trade. Now, I know that my hon. friend the Minister of Finance has said that a big trade is not always characterized by prosperity, or words to that effect. I do not want to misrepresent him. He said he would not base too strong an argument for the profitableness of trade merely on its bulk. Well, I think my hon. friend is wrong in ninety-nine cases out of a hundred, and I am not sure that the hundredth would not be doubtful. May I

give my hon. friend a simple illustration of the point? Why were we prosperous in this country during the war? Not because men were killing one another. We were prosperous because we had a big international trade; that was undoubtedly the source of our prosperity. We were producing tremendous surpluses under the extreme pressure of the needs of the war, and we had a big international trade and were prosperous, beyond the dreams of avarice in some cases. And so it has always been. Does my hon. friend contend that little business is a sign of prosperity, whether it be a firm or a nation in question? As a rule, big business means great prosperity, and we like business to be good. Why, the manufacturers of Eastern Canada at this moment know which side their bread is buttered on, and they are looking now to the West and wondering how much acreage is going to be placed under cultivation this year. Why? Because they know that a big production, followed by a big sale of western wheat, means prosperity for the whole country. And there is no gainsaying that, as a general principle. So that, as I say, increased trade, and especially increased foreign trade, is the first great need of Canada at the present time.

5 p.m.

Now, my hon. friend mentioned the home market in that connection; that was where he got the butter argument. He told us about our eating most of our butter at home. Well, if we had no market abroad, poverty would accompany our efforts, and not prosperity. What is the use of talking to the farmers of Canada about the home market? We produce in Western Canada, some years, 300,000,000 bushels of wheat, of which we consume 60,000,000. What would you do with the surplus 240,000,000 bushels if you had no foreign market? How would you dispose of that surplus if you did not take proper steps to get it into the markets of the world? In New Brunswick and Prince Edward Island they grow the finest potatoes in the world, but they use only five per cent of their own product, and even the people of York-Sunbury cannot get up in the night and eat potatoes when they are electioneering. These provinces use only five per cent of their own product, and it is absolutely vital to their interests that ever possible step should be taken to get the markets of New England for their surplus potatoes. That is common sense. Over the rest of Canada, nearly everywhere, the people grow potatoes for their own use, and that is not a particularly difficult trick. Even I, who am a very "mixed farmer" to begin with, made a success of potato growing from the start, and I grow a surplus every year to seed the garden with the next year. But in these provinces they grow largely in excess of their consumption and their prosperity depends absolutely upon disposing profitably of that surplus. And that is another excellent illustration of the value of the reciprocity pact upon which we voted the other day. I do not want to labour that point further.

Mr. CURRIE: Hear, hear.

Mr. CLARK: But in regard to some of my hearers, it might be possible to get a simple figure into their heads, and I should like to tell my hon. friend from North Simcoe that if he is not, I am, alarmed by the fact that in the month of March our foreign trade declined in this country by nearly $100,000,000. Now, it makes a very great difference to this nation at the present moment, in the face of a fact like that, whether our policy is directed to increasing our foreign trade or decreasing it. I have proved, by quotations from the fathers that appeal to the common sense of every man who gives an unbiased attention to what I said, that the effect of the Government's taxes is to decrease consumption, to decrease production, and they will inevitably decrease foreign trade also; and I shall support the amendment because in my humble judgment it points the road to an exactly opposite line of policy.

The second great need of our people at the present time is to reduce the cost of living—we are all agreed about that. I know my hon. friend the Minister of Militia said, in what I think was a weak moment the other night, that a cheap country is not a good country to live in. Well that is all very well—

Mr. MEIGHEN: Did my hon. friend, in giving his figures of the reduction of the March trade, mean to say that our trade in March this year was one hundred millions less than our trade last year?

Mr. CLARK (Red Deer): I did.

Mr. MEIGHEN: The hon. gentleman is aware that our duty this year is 7½ per cent less than it was last year.

Mr. CLARK (Red Deer): The duty?

Mr. MEIGHEN: The tariff is 7½ per cent less this year than last year.

Mr. CLARK (Red Deer): What has that to do with the case? I was not talking

about duties, I was talking about the total trade.

Mr. MEIGHEN: Would it not indicate that we would not increase our trade by reducing the tariff still further?

Mr. CLARK (Red Deer): Of course the reduction of a tariff is not an act of magic. It takes a little time to go into operation, it takes a little time to have effect.

Mr. MEIGHEN: It has been in operation a year.

Mr. CLARK (Red Deer): Well my hon. friend can take what consolation he likes from that fact. Would he argue that the raising of a tariff increases foreign trade?

Mr. MEIGHEN: I will argue that point when I get up, but in the meantime I would like to hear how the hon. gentleman explains his argument?

Mr. CLARK (Red Deer): It is so simple of explanation that I should not think my hon. friend requires any further statement.

Some hon. MEMBERS: Oh, oh.

Mr. CLARK (Red Deer): Well, if my right hon. friend really wants information upon this subject—and he did most sadly a year ago—will he seriously contend that the commercial position of Great Britain at the present moment is to be compared with the commercial position of Canada in regard to foreign commerce?

Mr. MEIGHEN: As to that—

Mr. CLARK (Red Deer): Let me finish my point, my right hon. friend will have a chance to speak later.

Mr. MEIGHEN: I thought my hon. friend asked me a question.

Mr. CLARK (Red Deer): If I asked a question I apologize to the Speaker for breaking the rules of the House, because when my right hon. friend gets up to answer the question he is out of order. It is a common form of debate, however, to put a question that does not require an immediate answer.

Some hon. MEMBERS: Oh, oh.

Mr. CLARK (Red Deer): If my right hon. friend wants information in the form of a statement, instead of in the form of a question, let me tell him that I am examining into the effects of a tariff upon the foreign trade of a nation.

Mr. MEIGHEN: Well, what about the British tariff?

Mr. CLARK (Red Deer): Last year Britain's trade doubled the trade of the year before. In the month of March Canada's trade fell by $100,000,000 or nearly so.

Mr. MEIGHEN: And the British tariff was higher than it was the year before.

Mr. CLARK (Red Deer): That is not the case.

Mr. MEIGHEN: That is the case.

Mr. CLARK (Red Deer): My right hon. friend is extremely fond of splitting hairs—

Some hon. MEMBERS: Oh, oh.

Mr. CLARK (Red Deer):—and handing the other fellow the smaller part of the hair. He is so fond of the operation that he occasionally expends an enormous amount of strength in bringing his knife down where there is not a hair at all. If my right hon. friend wants further arguments about Britain he can have them to his heart's content; but I am here to say that the facts of history prove that a lower tariff makes for increased trade, other things being equal. My right hon. friend in his interruption is prepared to set up on a smaller scale exactly the class of argument which got him the laughter and derision of every trained economist in Britain last summer. He founded his case upon the figures of the war and the period immediately after it, and he stood before the world declaring that Britain's fiscal policy had broken down and she had lost her supremacy. She exported just about double last year that she did the year before—just about double. Is that a sign of lost supremacy?

Mr. MEIGHEN: Compare with other countries.

Mr. CLARK (Red Deer): Compare her with other countries? Canada's trade in the last month of the same fiscal year dropped by $100,000,000, and it is notorious that the United States is going back in the same ratio and at the same extent. Everybody knows that United States exports are falling off by leaps and bounds.

Mr. CURRIE: What about the present British exports?

Mr. CLARK (Red Deer): That is a fact, and there is no gainsaying the fact.

Mr. CURRIE: Let me ask my hon. friend a question.

Some hon. MEMBERS: Sit down.

Some hon. MEMBERS: Order.

Mr. CURRIE: What about the drop in British exports?

Mr. MEIGHEN: Will the hon. gentleman—

Mr. CLARK (Red Deer): Well, really—

Mr. MEIGHEN: Will the hon. gentleman please now compare British exports for March this year with British exports for March a year ago?

Some hon. MEMBERS: That is fair.

Mr. CLARK (Red Deer): My right hon. friend must take such figures as I have before me.

Some hon. MEMBERS: Oh, oh,

Mr. CLARK (Red Deer): Does my right hon. friend wish to contradict the figures I have given him?

Mr. MEIGHEN: Yes, I will give my hon. friend this: Our exports—

Mr. CLARK (Red Deer): Well now, Mr. Speaker—

Mr. CURRIE: Let us have the figures.

Some hon. MEMBERS: Order.

Mr. CLARK (Red Deer): Oh, it is an excellent method, the Socratic method, and I have no reason to fear it at all. However superior my right hon. friend may be as a debater he is so much inferior in his case he is sure to lose it.

Mr. CURRIE: Give us the British figures.

Mr. CLARK (Red Deer): I think possibly a good position to leave it at the present moment is—

Some hon. MEMBERS: Oh, oh.

Mr. CLARK (Red Deer): A good position to leave it at the present moment is just this, where I left my right hon. friend last summer: I left him up against the facts for nine months and his case went out from beneath him. And if I understand him as indicating a wish to contradict my statement—when I say that a lower tariff will make for higher trade and that his policy will decrease trade—then I would advise him to wait for the figures nine months hence. I trust, for the sake of our common country, I am wrong; but if there was any betting in the case I am afraid that, month by month, my right hon. friend will repent his present attitude. A tariff restricts trade. Why, his nearest neighbour in the House (Sir George Foster) who is nearly twice his age and has studied economics all his life—said here once, with the accord of everybody in the chamber, "Of course a tariff—every tariff—must to a certain extent restrict trade." That is what it is put on for. It is to keep the other stuff out so, that the few protected individuals inside the tariff wall can rook the consumer. If a protective tariff did not restrict trade and prevent imports what would be the earthly good of it for building up industries?

Now, I was proceeding, when we had this diversion, to say that the next great need of the moment is to decrease the cost of living. I had got so far as quoting my hon. friend the Minister of Militia as one of the few people who do not believe that, because he said in this House the other evening, that a cheap country is not a good country to live in: Well, I am perfectly persuaded that nine out of ten people in Canada at the present time could do if Canada was just a little cheaper country to live in than it is. If I am not right in that supposition, why have we heard so much about the high cost of living in the past seven years? Why have we carefully scanned the paragraphs in our papers which tell us that it has gone up by a small percentage or down by a small percentage? I will tell my hon. friend the Minister of Militia why those figures have been scanned by the rank and file of the people of this country with earnestness and anxiety: they have been scanned in this way because nine out of ten of the people have felt the cost of living so badly that they have had to calculate very carefully to make ends meet and to get the necessities of life for those who are near and dear to them. It is abject nonsense to say that a dear country is a good country to live in. We have all been wanting to reduce the cost of living. It is absolutely as certain as anything can be—and again my right hon. friend the Minister of Trade and Commerce will be my authority—that a tariff increases the price of an article to just about the amount of the tariff. As the amendment proposes to reduce the tariff, in my judgment and in the judgment of every considerable economist who ever lived, you would by reducing the tariff reduce the price of commodities. On this ground also I shall vote for the amendment.

Now I come to the third point. The great need of this country is to build up its industries, and on the principles laid

down so eloquently and so lucidly by my hon. friend from Shelburne and Queen's, I shall support the amendment, because, little as hon. gentlemen opposite may think so, the amendment's policy will build up the general industry of Canada much faster than the policy of the Government. I see smiles of some doubt when I make a statement of that kind. A great deal of nonsense passes for sense in this world. Binder twine has been free in this country for twenty-three years. That is something the Liberal Government did, anyway. What was the effect upon the industry in Canada? Within that twenty-three years a successful binder twine factory has been established in Welland by an American firm.

Mr. CURRIE: An American trust.

Mr. CLARK (Red Deer): My hon. friend can call it just what he likes. I call it a firm. It is a branch of an American firm which has established at Welland under absolute free trade a successful binder twine factory. Let me just pause at this point to intimate that that single fact casts grave doubt upon the only argument that had a semblance of strength in it that I ever heard of for a protective tariff as against the States,—that the tariff is what pulls, so to speak, the factories over—from America to this side. It could not be the tariff in the binder twine case at Welland because there has not been a tariff on binder twine since that factory was founded there. There is another factory making binder twine in which I am more interested as a good Canadian than I am in the Welland factory.

Mr. HAY: Mr. Speaker—

Some hon. MEMBERS: Order, sit down.

An hon. MEMBER: He has a right to ask a question.

Mr. CLARK (Red Deer): In Brantford there is a firm called the Brantford Cordage Company. It makes rope, upon which there is a duty, but it also makes binder twine. I take more interest in that firm than in the other on purely national and patriotic grounds. The manager is a born Canadian, and he has established a splendid business there. When the gentleman from whom I get my information visited the factory the other day they were engaged in filling an order for Dublin, in Ireland. This firm, operating without a protective tariff so far as binder twine goes, has sent shipments to the United States, to the Argentine, to Tunis in North Africa, to South Africa and to Siberia. Now, if that happened in regard to binder twine there, the onus of proving that industries are built up by a tariff is entirely on the shoulders of hon. gentlemen opposite. There are industries and industries in this country.

Mr. HAY: Mr. Speaker—

Mr. CLARK (Red Deer): Mr. Speaker, I have been interrupted a good deal and I have very great consideration for whoever is to follow me. However, as my hon. friend from Selkirk (Mr. Hay) has risen I will be very glad to hear what se says.

Mr. HAY: The question I should like to ask the hon. gentleman is this: Has the establishment of an American binder twine factory in Welland cheapened binder twine to the farmers of Canada?

Mr. CLARK (Red Deer): My hon. friend's question is really an argument, Mr. Speaker. I am discussing the effect of a tariff upon the building up of industries. My hon. friend understands that. I think that binder twine has been cheapened to the farmer. But that is not what I am dealing with. My hon. friend asks the question for the obvious purpose of making an argument. That sort of question is not permissible in ordinary parliamentary debate. There is nothing in the question. My hon. friend possibly is getting information that he did not have before on the question which I am raising, that the industries of a country generally are not built up by tariffs, but are retarded. What is meant by "industries"? Are railways "industries"? Has the National railway proceeded to enormous success under the protective tariff? It has been under the National Policy. What has that policy done for the railways of this country? What has it done for our shipbuilding?—is not that an "industry"? What has it done for the farming industry? Obviously nothing, because in their great bulk farmers cannot be protected. There is the iniquity and the injustice of the wohle thing as applied to the farming population. Protection is money help; and when you help one industry with money it is a very simple conclusion that the money must come from somewhere, and agriculture bears the entire burden.

Mr. CURRIE: What about the Canadian Pacific railway, then?

Mr. CLARK (Red Deer): The Canadian Pacific railway was given the earth to

build itself with. I am going to give my hon. friend, if I may be allowed to pursue my argument, some more facts about Canada. I was talking with a publicist the other day, a journalist of great repute, who knew Almonte very well in 1868. They have some woollen manufactures in Almonte. My friend, who knew it then and knows it now, and is a man with acute powers of observation, tells me that the woollen factories of Almonte were more prosperous in 1868 than they are to-day. I had confirmation of that from a gentleman who called on me recently to speak at Almonte. I asked him: How are your woollen factories? He answered: Very depressed. I was talking to a New Brunswicker of the highest intelligence and with a splendid memory, who told me that over forty years ago there were in the city of St. John thriving boot and shoe industries; there is not a boot or shoe made there to-day. What has the National Policy done for the boot and shoe industries of St. John? The onus of proof about this industry building all rests upon the shoulders of gentlemen opposite. What is the condition of your manufactures to-day? How many of them are depending on banks at this moment to hold them up? That is not the kind of industry you want to build up. Build them under freedom and they will stand on their own feet and be their own strength the way agriculture is bound to do. I have frequently given the figures as to Britain's manufactures. The broad truth is that Britain neved had any manufactures worth the name until she adopted free trade, her figures in manufacturing exports were infinitesimal; to-day they are the wonder of the world. These are the facts about Canada and the facts about the Old Country. For years hon. gentlemen did not mind my talking in this way, when I was the only man in the country who believed it, but when they know that there will be more believing it than not believing it at the next general election they commence to show a little temper in this business. I am very glad to see it, though what this country wants even more than the things I am dealing with is a change of government.

We have for forty years—

Mr. CURRIE: Why not free trade?

Mr. CLARK (Red Deer): I will tell my hon. friend about free trade in a minute. We have for over forty years pursued an absolutely wrong policy in Canada in regard to the building of industries and in regard to the building of anything else. There was a Chinaman called Mencius who lived four hundred years before Christ. He was the grandson of Confucius, and he brought a simple figure before his fellow countrymen which only needs to be repeated to impress itself upon the intellect on any hon. gentleman in this House. Mencius said that the industries of a country may be likened to a tree of which agriculture is the stem or bole and the other industries of the country the branches. Now, that old Chink knew more about political economy than all the gentlemen opposite put together.

Mr. CURRIE: Mr. Speaker—

Mr. CLARK (Red Deer): I will finish my sentence. For the benefit of my hon. friend I will repeat the first part of it—that old Chink knew more about political economy than my hon. friend—

Mr. CURRIE: Mr. Speaker, I object—

Some hon. MEMBERS: Order.

Mr. CURRIE: Well, he said—

Some hon. MEMBERS: Sit down.

Some hon. MEMBERS: Order.

Mr. SPEAKER: The hon. member for North Simcoe (Mr. Currie) must know the rule which requires a member to take his seat when the Speaker rises.

Mr. CURRIE: The hon. gentleman is asking a question.

Mr. SPEAKER: The hon. member for Red Deer has already indicated that he does not desire to be interrupted.

Mr. CURRIE: Doesn't he want an answer?

Mr. CLARK (Red Deer): My hon. friend is wrong in thinking that I asked him a question; there are some quarters to which I would never go for lessons in political economy. I was saying there was a Chinaman called Mencius who said that the industries of a country might be compared to a tree of which agriculture is the stem or bole and of which the other industries are the branches. Every Canadian on the land and almost every Canadian outside the benches opposite knows that that is true, because our forefathers were all farmers.

Mr. CURRIE: We do not want the Chinese.

Mr. CLARK (Red Deer: I am quite accustomed to somewhat disorderly proceed-

ings on the part of my hon. friend. For an old parliamentarian he really ought to try to practice that self-control which parliamentary institutions are meant to instil. One of the greatest parliamentary accomplishments is to be able to listen with courtesy to the person who happens for the moment to be speaking. In private life my hon. friend would not in ordinary conversation deal with his friends as he is dealing with me. He is wasting the time of the speaker who is to follow me, because I have no desire to give him a lecture on deportment—only on political economy.

I was proceeding to say that this famous Chinaman whom I have quoted knew more about political economy than hon. gentlemen opposite, because they and their forebears have for forty odd years been trying to build up the industries of the country represented by that tree by constricting the stem and manuring the branches. Well, that is the most curious kind of arboriculture that ever was gone in for by intelligent men.

Now, I have indicated the grounds upon which I shall support the amendment. I believe that they are sound; I think the amendment more than the Budget policy would increase the trade of the country, reduce the cost of living, and in the long run build up faster the industries of the country.

I very much agree with my hon. friend from Shelburne and Queen's (Mr. Fielding) when he says that the income tax might very well have been increased. I have not given up my belief in the possibilities of a succession duty for Federal Canada, and I certainly have not given up my belief in the taxation of land values. I want to say here that I offer my very sincere congratulations to my hon. friend the Minister of Finance on the way he has collected the income tax. He has gone after it in right manly fashion and has demonstrated, to the very great benefit of the country, what direct taxation will do if it is pursued in a thorough and an earnest manner. I want to give him full credit for that. There has been a vast improvement in the department in that particular respect since he took office there. I hope he will continue his good work and that he will not be deterred in his duty in this connection by the action of men, if there are such—and I hope they are few in Canada—who profiteered when others were dying and now want to skulk away when others are paying. There never was a more squalid and more sordid scene than on the morrow of the Republican victory in the United States when the leaders of the Republican party met in serious conclave to consider how they could raise three billions by tariff duties. It was an ignominious attempt on the part of the rich men in that conclave to wriggle out of doing their duty, and I trust and believe there are few such men in Canada. For my part, if I were to be allowed to give a moral tonic to this nation, whatever the government we have in power, I would say that we ought in common decency, in remembrance of our sixty thousand dead, to show at least as much heroism in the handling of our purses in the next seven years as they showed on the field of battle during the four and a quarter years of war. If that word helps my hon. friend to get on in his course in this connection, I shall be more than glad that I have spoken it. I speak it for a serious purpose. I speak it to lead to an indication of my belief that the record of Canada up to date in the economic field is by no means equal to the military achievements of our men.

I have a standing quarrel with the Prime Minister (Mr. Meighen) on this question of income tax. He was a member of this Government from its inception, he was a member of Parliament under this Government from its inception; and for three and one-half years he followed and supported a Minister of Finance who did not have the courage, or did not think it wise, to impose an income tax at all. My right hon. friend has shown the enthusiasm of all converts, because in his recent tour of this country, he made his boast—I do not want to use the word offensively—that on certain incomes we have taxed more heavily in Canada than they have done in Great Britain. I want the country and the House to know the exact facts about that. My right hon. friend mentioned the figure $200,000 as the figure at which we began to tax more heavily than they did in Britain. Some weeks ago, I put on the Order Paper a question as to how many people were taxed in the last fiscal year on an income of $200,000 or over and the answer was: Eleven. I do not think that upon eleven taxpayers my right hon. friend can build a very successful case for his energy in collecting direct taxation. There is between $2,000 and $200,000 a large margin upon which it appears to me that the benefits of the income tax could be extended, as the hon. member for Shelburne and

Queen's (Mr. Fielding) indicated. I have a little sympathy with those eleven gentlemen, for my right hon. friend has dragged those victims, so to speak, throughout the whole country and has trotted them out on every platform as evidences of his fiscal earnestness along the line of direct taxation.

Let me give a single figure more if I may, in support of my contention that our record in the economic field is not equal to the sacrifices of our soldiers. Great Britain raised last year, largely by direct taxation, $7,250,000,000. Canada raised, in round figures, $432,000,000. A simple calculation will reveal that, in this country, one-fifth of the population of Britain raised only one-seventeenth of the revenue that was raised in Britain. That going does not make me very proud as a Canadian. The word we all used in the war was: "We are out to fight Germany to the last man and the last dollar." The last man was forthcoming, voluntarily, in most cases, and he gave not only his last dollar but himself. But we are far from collecting the last dollar or as many dollars as we should do by direct taxation in this country. Let me put that figure in another way. If my hon. friend had gathered, in proportion to population, from the people of Canada as much revenue as was gathered in Great Britain last year, his revenue would be $1,200,000,000. That would make him a little more comfortable about the future than he is at the present moment, in spite of the showing that he has made. My hon. friend could cut a third off that revenue and he would still have a revenue of $800,000,000. He could then meet all the national responsibilities fully and freely and set aside a substantial portion of his income for immediately dealing with the national debt. I have yet to learn that a Canadian is only two-thirds of a Britisher. Why, in every respect in which he has been tested, he is a little over one hundred per cent. Our people in war, in giving, were magnificent. Look at the huge sums that have been left in the hands of the Patriotic Fund and the Red Cross Society for revenue. I speak earnestly on this subject, because, I repeat, we have a great record to live up to, we have a great record of sacrifice and service that we ought to reproduce in our civil life until we have qualified for the moral companionship of those who have died for the country.

I am opposed to this Budget, because its extra burdens, like all its burdens, will fall, not chiefly upon the rich and the well-to-do, but upon the great masses of the people who have enough to do to make ends meet. The burden of this Budget will fall, first and foremost, upon the returned men. It will fall especially upon returned men who have taken advantage of the Soldier Settlement Act to settle upon the land. I told my right hon. friend when he was taking the Soldier Settlement Act through this House that if he settled thousands of returned men upon the land and did not alter his fiscal policy in such a manner as to make it more profitable to farm, what he was doing amounted to a national crime. That is what has come about. There are in Western Canada returned men who, a little over a year ago, gave $1.25 a bushel for seed oats, and in some districts they cannot sell the product to-day at ten cents a bushel.

The Minister of Marine and Fisheries (Mr. Ballantyne), in the speech which he delivered this afternoon, talked about boots and shoes, and evidently, he wanted to arouse a little danger to the hon. member for Quebec East (Mr. Lapointe) on the part of the boot and shoe industry. What does my hon. friend think of the hide industry? I heard from a farmer, a near relative of mine, the other day, that he sold, in Western Canada, two hides weighing 129 pounds, and he took home the magnificent sum of $1.29; he got a cent a pound for the hides. You cannot get a pair of boots under ten dollars,—I am sorry to say that I am standing in a ten-dollar pair at this moment, and on my farm I would need to skin sixteen full-sized cattle to buy these boots with the hides. I was telling this story to a number of Britishers, and some of them good free traders, in St. Thomas a week ago Sunday, and they said: "It is worse than that here; there was a farmer who brought a hide in the other day, and he could buy only a pair of laces with the proceeds. Yet my hon. friend (Mr. Ballantyne), who is a good stalwart Canadian in many ways and for whom I have a great admiration,—if he had only kept out of politics and especially out of a merchant marine, he was all right—pleads in this House for a duty to help manufacturers of boots and shoes who can get hides for next to nothing and can surely get the leather made out of hides for almost next to nothing, especially when he knows that for the last eight years the boot and shoe industries of Canada have had, not only a huge protection in their home market, but a free entrance

into the United States, because since Mr. Wilson came into power, there has been no duty on boots and shoes in that country.

This burden will fall upon the returned men; it will fall mainly upon the labouring men of the country, the men who always have to calculate carefully to make their income cover their expenditure; it will fall upon the farmers of this country, and it will fall upon the women of the country who sewed and knitted in the war until their eyes were sore with sewing and knitting at one time and with weeping for their lost ones at another. That is why I object to this Budget, because its tariff burdens fall in the main on the rank and file, on the toiling masses, male and female, of this country, and not where they should fall, upon the shoulders of the wealthy who are best able to bear them. Consumption is not the proper thing to tax; consumable commodities are not the proper things to tax. The proper thing to tax is wealth. Wealth is what should be taxed; it is the one place you are sure to get money, and every just and righteous principle demands that sooner or later we shall bring down direct and not indirect taxation.

This is a reactionary Budget. But I have faith in Canada, absolute faith in Canada. She will look after her fiscal matters, and all her other matters. Her record in the war is one which cannot be blotted out. Her history up to date is a glorious one, and her possibilities are practically unlimited. When I stand on my western farm, Mr. Speaker, I sometimes look, as I can look, to the white-topped Rockies, emblems of strength and beauty, and my imagination goes beyond them to the shores of the Pacific, kissed with the warm western winds and lapped with the warm western waves, and I think of the possibilities of almost unlimited commerce with the Orient. Then I look east across the prairies, where we can grow unlimited golden grain, down to Ontario and Quebec with their magnificent material equipment, their history, their traditions—and their feuds, too often unworthy, and would to God that where they are unworthy they should die;—across these I look, and across the Maritime Provinces to the Atlantic where we have a chance of trading with the Old World, and I have unlimited confidence in Canada. There is one obstacle at the present moment in the way of her making a progress which has never been equalled in the world before, and that obstacle she will remove herself when she gets the opportunity, by doing away with the obsolete policies of what I am afraid is a weary, and I am certain is a moribund Administration.

Mr. ROBERT JAMES MANION (Fort William and Rainy River): Mr. Speaker, it is always a great disadvantage to an ordinary member of Parliament like myself to follow such a speaker as the hon. gentleman who has just taken his seat (Mr. Clark). He is always so eloquent and so interesting that it is difficult for an ordinary member to follow him. At the same time one must admit that the hon. gentleman is always consistent, as he showed in his very fine peroration to-day, in arguing for the free trade policy for which he has fought in the Parliament of Canada for very many years. Sometimes in that eloquence and that consistency he stretches a point almost beyond its elasticity to prove his argument. For example, he pointed out a few moments ago that these taxes which are being imposed by the hon. Minister of Finance will particularly hit the returned men. That is news to me. I do not see how they will hit the returned men more than any other class of people in this country, and I presume that the returned men will be as willing to pay their share of taxation as they were to make greater sacrifices when the war was on.

My hon. friend also stretched a point, a little earlier in his speech, when he was criticizing the Minister of Finance for having advised the ladies of Toronto that they should not import the luscious strawberry out of season, paying for it by exporting the juicy grape, and he pointed out as a reason against giving advice against importation that one of the ways by which we can wipe out the $70,000,000 deficit on the national railways is by such things as importing strawberries into the country and exporting grapes out of it. I think, Mr. Speaker, it would take considerable fruit to wipe out that $70,000,000 deficit.

Another statement which the hon. gentleman made was that the unemployment situation in this country was very severe. I admit that; no one can dispute it. There is a business depression throughout the world, but at any rate the unemployment situation in protectionist Canada is not quite so bad as it is in free trade England, where the Prime Minister a short time ago suggested that the unemployed of that country should emigrate to the colonies.

Then my hon. friend also pointed out another interesting thing. I believe he quoted Adam Smith as saying that Holland had ruined herself by taxing the necessaries of life.

Mr. CLARK (Red Deer): May I correct my hon. friend? I am sure he does not wish to misrepresent me. I quoted Adam Smith as saying that in his day the manufacturers of Holland had been ruined. Everybody knows that Holland to-day is not ruined but is a thriving country.

Mr. MANION: I am sorry I misquoted my hon. friend; I had no intention of doing so. The correction, however, does not affect my argument. The point I was going to make was this, that if the taxing necessaries of life by customs duties—and this is what I understood my hon. friend to mean—leads to the ruin even of the manufacturers of a nation, it should be remembered that the United Kingdom imposes customs duties on necessaries, to a vast extent. I think I would be correct in saying that the customs duties imposed by the United Kingdom are as high per capita as the customs duties in Canada; that is, there is as much per capita collected by that means in the United Kingdom. The strange part of it is that all these customs duties in the United Kingdom are upon the necessaries of life; they are upon products which are not produced in the United Kingdom; upon tea, sugar, tobacco, (which after all is more or less a necessary of life), coffee and cocoa, and gasoline, I am reminded by an hon. member; that is a point worth remembering in regard to the taxation of the United Kingdom.

Another point that always strikes me in listening to the arguments of hon. gentlemen who advocate a free trade policy is that they nearly always criticise every form of taxation. They seem to be under the impression that no money needs to be raised. They do not suggest any other method whereby the necessary revenue can be raised.

I would like to say that I was rather surprised to find that my hon. friend from Red Deer is going to support the amendment proposed by my hon. friend from Shelburne and Queen's (Mr. Fielding). It seems rather peculiar to find an out-and-out free trader like the hon. member for Red Deer, sailing in the same boat, to use his own expression, with the hon. member for Shelburne and Queen's, who is the same kind of moderate protectionist that I am and other hon. gentlemen on this side of the House. It made me feel that perhaps amendments like platforms are things to get in on, and not to stand on, as some one said.

At six o'clock the House took recess.

After Recess

The House resumed at Eight o'clock.

Mr. MANION: Mr. Speaker, when the House rose at 6 o'clock I was discussing the speech of the hon. gentleman who had preceded me, the member for Red Deer (Mr. Clark), and was pointing out the difference between his policy and that of the hon. member for Shelburne and Queen's (Mr. Fielding). I was struck by the peculiar fact that during the hon. gentleman's speech my hon. friends on the other side, that is to say, the regular Liberal Opposition, cheered the member for Red Deer to the echo on many occasions when he was voicing free trade principles which certainly the Liberal party had never upheld or put into practice when in office to any greater extent than had the party on this side of the House. In this connection, the remarks of my hon. friend from Red Deer brought to my mind the fact that when the member for Shelburne and Queen's was speaking the other day he stated that while he was not advocating a protectionist policy, neither was he propounding free trade principles. He was quite emphatic on that point, and he went so far as to say that nobody in this country was upholding a free trade policy. He declared that the Liberal party was not upholding such a policy, nor was the Agrarian party, nor any other body of men. When I heard the hon. and eloquent member for Red Deer addressing the House this afternoon I could not help thinking that the member for Shelburne and Queen's, as he also listened to the hon. gentleman, must have felt that perhaps he had covered too much territory in the statement which he made the other day. It reminded me of an incident which I once witnessed. A man who was somewhat the worse for whisky was standing in a room, and he boasted that he was better than any man in the company present. No one heeded the remark, and he then declared that he was better than any man in the city. Emboldened by the silence with which this boast was received, he went a step further and said that he was better than any man in the country, and

some one walked up to him and knocked him down. As he got up he said: "I know what is the matter with me; I have covered too much territory." As I say, when I listened to the speech of the hon. member for Red Deer, I thought that the member for Shelburne and Queen's must have felt that he, too, had covered too much territory in saying that nobody was upholding a free trade policy in this country.

Last year, when I spoke on the Budget, I gave many facts dealing with the question of free trade and protection, as they apply to Canada, and in doing so I had occasion to make comparisons between protectionist countries, such as Germany and the United States, and a free trade country such as the United Kingdom. In support of my contentions, I submitted facts rather than theories; because, after all, a theory may be as plausible and logical as you wish, but before it can be accepted, it must stand the test of facts. All who have studied history know that there were theories propounded by Aristotle which had been accepted for many centuries but which finally when tested had to be renounced because they were no longer tenable. In this connection, I trust my hon. friend from Red Deer will not demur to my going back so far in history, because he himself went back four centuries beyond Confucius. Many of the theories of Aristotle which had been accepted by the world for centuries were in the end disproven and shown to be fallacious; and yet it is a peculiar fact that those who uphold a theory on mere theoretical grounds, refusing to subject their reasoning to correction in the light of facts, very often, when they find others opposing them are inclined to describe those with whom they cannot agree as heretics. In so many words, they say: if the facts do not square with our theories, well, so much the worse for the facts.

I do admit, Mr. Speaker, that the theory espoused by my hon. friend for Red Deer is an easy one upon which to base an argument; it sounds plausible and logical enough. But even if it were generally accepted to-day in the economic world, the so-called free trade policy, as it has worked out in the United Kingdom, is not necessarily the best policy for our country. Even assuming that it were accepted as a truism that free trade is the best policy for the United Kingdom, that would not prove it to be the best policy to apply to this country. Why do I say that? The United Kingdom is a country of small area, immensely developed manufacturing plants, highly developed capital, and fully developed natural resources; and certain other attributes which do not exist in Canada. On the other hand, Canada has an immense area, very great, but undeveloped natural resources, little accumulated capital, and little developed manufacturing plants. So that a theory or a policy that might apply with the utmost satisfaction to the United Kingdom might be highly unsatisfactory to Canada. In referring to free trade in connection with the United Kingdom, I purposely used the qualifying expression "so-called," because it has been fairly logically established that the so-called free trade of the United Kingdom is not, as a matter of fact, free trade, but an almost unlimited free import. Free trade should embrace two parties; and as a matter of fact, the United Kingdom is the only country of any importance which has put this policy into practice. So that the United Kingdom, while it has given free import to other countries, has really not participated in the mutual advantages that should characterize free trade.

In my speech of last year, which I shall summarize briefly, so that I may not repeat any arguments I then used, I took up the foreign commerce of some of the different important countries of the world, because foreign commerce is one of the things which those who support the free trade policy boast very loudly of as being one of the prominent assets of Great Britain. I pointed out in that speech that between 1890 and 1913, Germany and the United States, two well known protectionist countries, were making much more rapid progress in their foreign commerce than was the United Kingdom. I pointed out further—and I shall repeat the facts again to-night,—that in many of the European markets Germany was selling more than free trade United Kingdom. I showed that Germany had been outselling the United Kingdom in ten important countries before the war. Just here I may say that most of the facts which I submit in this connection have reference to the pre-war period, because it is hardly fair to base argument on conditions as they are to-day, in view of the unsettled state of world affairs. I pointed out that the national debt, per capita, in Great Britain was greater than in the United States or Germany; and in regard to the general welfare of the people of the United Kingdom and other countries, I proved that conditions were

not as good in the United Kingdom as in some other places, so far as those conditions could be judged from such facts as deposits in the savings banks, immigration and unemployment statistics as given by the trade unions of the various countries concerned. Upon these facts, and upon the authority of various writers whom I quoted, I think I showed that the conditions of the ordinary people in the United States were better certainly than in the United Kingdom, and even in Germany they were probably as good as, if not better than, conditions in Great Britain.

Then I touched on railways—a question to which my hon. friend from Red Deer referred this afternoon—and I showed that the United Kingdom had the highest capitalization of any country in the world, and what was very much more important, that the railway rates in the United Kingdom were higher than the rates in Germany, or France, or Austria and a number of other European countries, and about double the rates of the United States or Canada. I touched on pauperism and I gave statistics from the Statesman's Year Book to show that pauperism in the United Kingdom was certainly as great as in Germany, and perhaps greater, and certainly much greater than in the United States. Finally, I touched upon agriculture which my hon. friend from Frontenac (Mr. Edwards) covered so completely last night. I pointed out at that time that agriculture in the United Kingdom had practically been wiped out under free frade. When I say "practically wiped out" it had been reduced by about fifty per cent under free trade; that while the United Kingdom imported a very great proportion of her food, none of the other countries in Europe imported so much food as the United Kingdom. Take, for example, the growing of wheat. I pointed out that the United Kingdom was greatly surpassed by France, by Germany, by Austria, by Italy, even by Spain—that Spain doubled in 1913—I think that was the year I gave—the wheat production of the United Kingdom. Then I contrasted with that, the development of agriculture in the United States, where it had gone ahead by leaps and bounds, and I pointed out by figures the extent of the development of the natural resources in that country. That is a resumé, in brief, of the speech which I made; and I may say that while a number of speakers who followed me took up the theories I expounded and the conclusion to which I came, none of them disputed the facts, so I thought I could come to the conclusion that my facts were pretty correct. Indeed I am quite positive they were because most of them were taken from official sources.

Now, Sir, I submit that this question of a tariff policy for Canada is still a very vital one to be decided in the best interests of the country. That is the only interest that I have at heart, because I am neither a farmer on the one hand nor a manufacturer on the other. Since then I have looked over the question more thoroughly I have looked over the records of many English writers and while to-day there are many who still uphold free trade as a theory, there is an increasing number of writers in the United Kingdom who are coming to the conclusion that the United Kingdom has been too generous to its trade rivals in opening its markets freely to them, and there are many who have come completely to the conclusion that the United Kingdom should adopt an entire reversal of policy. Let me mention the name of one writer whose works I found very interesting, John Holt Schooling, a well-known writer in the United Kingdom. He has written a book, entitled "The British Trade Book." It is a remarkable work, composed for the greater part of statistics, showing the trade of the United Kingdom in its various branches. This writer comes to absolutely the same conclusions which I came to, only he gives many more arguments and reasons in support of them—he covers the ground in a much more elaborate way. I had not seen the book at the time of my investigations last year although it was written some time before. He points out that although the first edition was issued some six years before the one which I read the facts had never been disputed, and he had come to the conclusion, in brief, that free trade was a brain-spun doctrinaire theory, not based upon facts, and that it was not applicable to any country.

Now, Mr. Speaker, I wish to allude to a few of the statements of other speakers —not in this debate but in speeches delivered throughout the country—and first I wish to touch just for a moment on the speech of my hon. friend, the member for Marquette (Mr. Crerar), who, in one of his speeches, made the statement that anybody who mixed up the question of revenue with the question of protection was not only inconsistent but was attempting to mislead the country. Those were the words the hon. member used himself—that a man who did that was inconsistent

and was attempting to mislead the country. Well, Sir, if the hon. gentleman had said the higher the custom tariff the lower the revenue I would say he was perfectly correct; but to imply, as he implied, that if you have a protective tariff you cannot get any revenue from it, is going very much beyond the fact. I regret that my hon. friend from Marquette is not in the chamber at the present moment; however, that is not my fault. But I should like to point out to him; what he will no doubt admit, that Canada is a protectionist country. I know he has stated that the protectionist policy which has prevailed in Canada ever since 1878 is harmful to this country. He will therefore admit that Canada is under a protective tariff and yet Canada has raised millions of dollars —yes, hundreds of millions of dollars— by that tariff. Then he will no doubt also admit that the United States is a protective country. Before the war the United States had the highest protective tariff in the world and by that protective tariff it raised a revenue exceeding that of any other country. So I think these two facts absolutely refute the statement of my hon. friend that a protective tariff cannot give revenue. In making the statement which he did my hon. friend is simply mixing up prohibition—I mean prohibition of customs—with protection; because if you put a tariff of, say, 100 per cent on a certain line of goods none of these goods come in and therefore there will be no revenue; but a moderate tariff will give a certain amount of protection and a certain amount of revenue. He was mixing moderate duties and restraints on trade, just as in the United Kingdom certain people mix up free trade with free imports. It is another case of theory versus fact.

It recalls to my mind an incident which occurred in the House last year during the debate on oleomargarine. The Minister of Agriculture introduced a Bill on the subject and my hon. friend from Red Deer got up and spoke. He advocated the free trade theory, in the eloquent manner so easy with him, and he pointed out that if Canada had a free trade policy we would have butter at reasonable prices and there would be no need to bother about oleomargarine. That is a synopsis of what he said. Well, out of curiosity I sent out to the reading room and got a copy of the London Times. There I looked up the price of butter in London and found that the price in free trade England, the wholesale price, was higher than the retail price of butter in protectionist Canada. That is another instance of theory versus fact.

Now I wish to touch upon the subject of immigration. My hon friend from Red Deer referred to that subject last year— and he said (opposing the right hon. leader of the Government) that emigration from the United Kingdom had increased after 1846, because protection had made the people so poor they could not emigrate previously. Then my hon. friend from Red Deer made this statement—That people do emigrate most when they are most prosperous. My hon. friend is usually very logical and very plausible but it is almost too much of a strain upon our imagination to think that people who are living prosperously in their own country will pack up and go out to practically a foreign country and there perhaps cut a home for themselves out of the woods.

My hon. friend in the same speech said that he wanted cheap goods and he cared not whence they came—speaking I believe at that time on the subject of tobacco. That is a very common free trade argument, and I should like to point out to my hon. friend, that there are countries in the world which are very cheap countries to live in—at least so far as buying things is concerned—and yet they are sometimes the most poverty ridden countries to be found. For example take the case of China and India. I believe there are no countries in the world where labour is so cheap—and labour is a good criterion of the price of other commodities in those countries—yet in China we have recently seen thirty-five millions of people brought to starvation, and in India from time to time there have been famines which could hardly be overcome.

I might point out also, Mr. Speaker, that the year before the war I had the pleasure of travelling in Southern Italy, and I well remember when visiting Naples I would hire a carriage for the afternoon and after driving around for two or three hours I would ask my cocher how much I owed him, and he would probably say, "Two lire," which would be about forty cents in Canadian currency. I used to feel ashamed to pay him such a small sum even with a tip added. I point that out because Naples at that time was an exceedingly cheap city to live in, and yet was one of the most poverty-stricken centres I have ever seen.

Real desirable cheapness depends more upon competition and large production than upon free imports. An English writer, Sir Guilford Molesworth, in giving the

United States prices of steel rails states that in 1867 they cost $150 a ton. The duty was increased and in 1872 they were down to $112; in 1874 to $49; in 1876 to $39; in 1885 to $27, and that was about the price I believe before the war. Those are the figures quoted by this writer and no doubt they are correct. The same writer says that between 1861 and 1883 under protection cotton and woollen prices decreased 25 per cent, and he gives a list of 214 articles showing the same result under protection with home manufacture. I should like to supplement that by saying that large home production with plenty of work and wages is very much more important to any country than cheap importation. We all remember the story of the man in New York who, when told that the price of a certain article was a dollar said, "I could buy that in the Old Country for a shilling." Somebody asked him, "Why did you not stay there and buy it?" To which he replied, "I did not have the shilling." That is often the trouble in a cheap country where importation helps to make things cheap, while killing its home industries, with the result that the people living there have not the money with which to buy those cheap goods.

Then there is another statement regarding the policy of members on this side of the House—because a majority of my colleagues do take the same stand on a moderate tariff policy, just as my hon. friends on the other side really in their hearts support that policy. That is the statement which has been made in the press, and some times by hon. gentlemen opposite, that we on this side of the House are inconsistent when we state that we stand for a moderate tariff policy and then, like my hon. friend from Frontenac (Mr. Edwards) last night, show that the tariff under which we are living to-day is lower than the tariff of the Liberal party between 1896 and 1911. We are told that we are proving ourselves protectionists by showing our leaning towards free trade. To my mind there is nothing inconsistent in that. We believe in a moderate tariff; we know when we have had enough; we are not gluttonous; and therefore we limit the tariff. The inconsistency, it seems to me, comes from the other side of the House where they said before 1896 that they were free traders, and at the present time they say they are a low tariff party. And yet while in power they had a higher tariff than the one our party puts in force when it is in power. I may say that I am not a high tariff advocate and never have been, and I do not think that I ever shall be. I believe in a moderate tariff which will give a certain amount of protection and at the same time provide a certain amount of revenue. And I believe that is the opinion of 95 per cent of hon. gentlemen in this House.

The hon. member for Red Deer—and the reason I take up his argument is because he is after all the most able advocate of free trade in this country—stated in another speech that before the war Great Britain did the carrying trade of the world. If he had said that Great Britain did a large proportion of that carrying trade he would have been correct. According to Lloyd's Register in 1914 the total merchant shipping of the world was 49,000,000 gross tons. Of that the United Kingdom owned 19,000,000 gross tons, or two-fifths, and it must be that the other three-fifths did some of the shipping of the world. Before the war the steam and sailing vessels entering and leaving the ports of the United Kingdom were 93,000,000 tons British and 71,000,000 tons foreign; that is, two-fifths of the carrying trade in and out of the ports of the United Kingdom—and I am quoting official statistics—was handled in foreign ships. So that the statement that Great Britain before the war did the carrying trade of the world can hardly be sustained by the facts.

In speaking of the "invisible" exports which my hon. friend and others used to explain what is called the adverse balance of trade of the United Kingdom—that is, the fact that the United Kingdom imports a great deal more than it exports—my hon. friend said that that adverse balance was explained to a great extent because Great Britain did the carrying trade of the world and also because of interest on the money which Great Britain had loaned abroad. That is more or less correct. But the adverse balance cannot all be explained, thus, because much of the carrying trade even of the United Kingdom is done in foreign vessels. In other words, the invisible exports from the United Kingdom must be balanced against a certain proportion of invisible imports into the United Kingdom in the form of the carrying trade done for her by foreign steam and sailing vessels. It might also be pointed out in that connection that Canada at any rate has no invisible exports to pay off any of her imports and although the argument does apply partially to England it can not to Canada, we having no earnings either from foreign investments or from ships.

The British writer whom I quoted before, John Holt Schooling takes up this ques-

tion and states that the carrying trade of the United Kingdom and the interest on her foreign loans does not pay her total imports, but that 7 per cent of those imports is paid for by a very small transfer of British capital which is invested abroad. In other words, the British have a very large amount of capital invested in foreign countries, and only a minute quantity of that would need to be transferred to pay for 7 per cent of her imports. He is supported by another writer a Mr. Byng, a manufacturer—and it will be remembered that the manufacturers of England in 1846 supported free trade, Cobden himself being a manufacturer—a Mr. Byng, who wrote a book in 1901 opposing free trade, and also by Sir Guilford Molesworth, whom I have already cited as an authority. Then the United Kingdom pays for 17 per cent of her imports by the export of coal. Now, while they have vast quantities of coal in England, it is in a sense national capital, especially for such a country, and the coal exports of the United Kingdom are increasing much more rapidly than the exports of manufactured goods. In 1913 her coal exports amounted to $270,000,000; in 1910 they took third place only to cotton and iron and steel manufactures. So that the United Kingdom is not upholding, according to this writer Schooling, many of the manufactures which she held for so many years. The large manufactures of the United Kingdom consist of iron and steel, cotton, wool, ships, machinery, coal and agriculture, and of those Mr. Schooling says the only three which are paying in exports as high a proportion as they paid in 1880 for imports are ships, machinery and coal; and only ships and machinery could be stated to be manufactures, because coal, as we all know, is a natural product. The actual figures, I admit do show a gradual increase, not very great, in the exports of those other lines, but at the same time the only three that are upholding their proportion are as I have stated.

Now, my hon. friend from Red Deer in another of his speeches mentioned hardware and cutlery, and I think he mentioned them again this afternoon. He said: "If you put a duty on iron and steel, what would become of the cutlery trade of Sheffield?" Well, let us look at what has become of that trade without putting a duty on iron and steel. We find that in 1880 the United Kingdom exported $17,000,000 worth of cutlery and hardware and in 1909, twenty-nine years later, only $11,000,000 worth, a drop of about fifty per cent—and that was without the duty on iron and steel that was suggested by my hon. friend and despite the increase in population. It is another case, Mr. Speaker, of theory versus facts.

Then, let us take cotton, the basis of one of the most important industries in the United Kingdom. We find that in cotton the United States surpassed the United Kingdom before the war and that Germany was gaining very rapidly. In pig iron and steel the United States and Germany far surpassed the United Kingdom in 1910, Germany producing twice as much iron and steel as the United Kingdom, and the United States three times.

As for wool, before the war Germany had gained an almost equal position with that of the United Kingdom, and the United States consumption of wool was more than that of the United Kingdom.

As for agriculture, we have had statements at various times, which cannot be denied, that agriculture in the United Kingdom is rapidly declining. The United Kingdom imports a larger percentage of her food than almost any other country in the world. In 1910 her imports of food were valued at £258,000,000. It is admitted to-day in the United Kingdom that the injury done to agriculture by the fiscal policy followed there has been a great national blunder. In 1910 the number of agriculturists in the United Kingdom per one thousand of population was less than in France, Germany, Austria, Belgium, Italy, or the United States. The city and town population of the United States in the average year between 1901 and 1910 was 35 per cent of the whole, in Germany 58 per cent and in the United Kingdom 74 per cent, showing the extent of the actual injury to agriculture in the United Kingdom. All will admit that agriculture is one of the most important and vital industries of a country. The agriculturists of the United Kingdom have either emigrated or gone to the cities or gone into the coal mines. The number of coal miners in the United Kingdom increased from 193,000 in 1851 to 649,000 in 1913, or over three times, a much greater increase than the increase would have been if in proportion to population. The authority whom I have already quoted, Byng, said in 1901 that no important industry had been developed by the United Kingdom in twenty years. He blamed free trade for what he called at that time the depressed condition of the United Kingdom. In other words, he said they were buying and selling rather than producing.

Between 1851 and 1901 the number of cotton workers increased slightly in the United Kingdom; the number of wool workers decreased; the workers in iron and steel, machinery and ships increased. But the whole analysis shows a great increase in the number of coal miners, middlemen, bankers, merchants and traders. With the exception of the coal miners, all of these belong to the non-producing classes.

Let us look at the United States figures; I shall quote only a few of them. The value of the iron and steel products of the United States in 1880 was $296,000,000 and in 1913, $1,236,000,000, nearly five times as much as in 1880. The steel production in 1880 was 1,247,000 tons and in 1913 31,000,000, an increase of about twenty-five times. In tin plates the production in 1890 was 2,000,000 pounds and in 1913 2,000,000,000 pounds. In cotton manufactures, the value in 1880 was $192,000,000 and in 1913, $700,000,000. Exports of cotton manufactures in 1880 were valued at $10,000,000 and in 1913 at $54,000,000. The value of wool products was $240,000,000 in 1880, and $507,000,000 in 1909. These are only a few of the industries for which similar figures could be given; almost any line of industry could be taken, the line of farming and agriculture particularly, to show that the United States has been progressing very favourably under a protective policy.

Now, in the matter of shipping the United States has not the same record except on the Great Lakes, where in 1914 they had four times the shipping they had in 1870. But shipping has had no protection of any kind. But British shipping has had protection, according to Sir Guilford Molesworth, the eminent English author whom I have quoted. Speaking of British shipping, he says:

> Taxes were abolished, fees reduced, restrictions removed, and draw-backs allowed on ships' supplies. In addition to this, the enormous subsidies paid for mail contracts, the Naval Reserve subvention policy, and the protection given to vessels* * * * afford immense advantages to our shipping. Moreover, Lloyd's regulations, British insurance discriminating against foreign ships, and our tonnage rules, all tell against American shipping. The annual subsidies and payments for postal services by the British Government in 1906 amounted to £1,248,000, as compared with £268,000 paid for similar services by the Government of the United States.

And he continues:

> It is evident, therefore, that the decline of American shipping has not been caused by protection, but by exclusion from the protective policy under which the home industries of the United States have made such marvellous progress.

[Mr. Manion.]

May I direct attention to another fact pointing in the same direction? The United Kingdom's imports of manufactured goods in the average year between 1900 and 1910 was much greater than that of the United States or Germany. Germany, with the larger population, imported less than half the amount of manufactured goods that the United Kingdom imported; and the United States with a population of about two and one-half times as large, imported about two-thirds of the amount of the manufactured goods that the United Kingdom imported. The United Kingdom's imports of manufactured goods are increasing more than her exports of the same goods.

Then, it is worth while looking at the matter of the trade of the United Kingdom as a seller to foreign countries. First, as a seller to Germany. In 1880 the United States sold to Germany less than one-third of what the United Kingdom sold to that country; but in 1909 the United States sold twice as much to Germany as the United Kingdom did. Then, as a seller to the United States, Germany doubled her sales between 1880 and 1909, almost reaching the figures of the United Kingdom, which had remained practically stationary during that period. France doubled her imports from Germany, but remained almost stationary in her imports from the United Kingdom, the United Kingdom gaining only slightly in French trade while Germany was gaining very rapidly. That was due, to my mind, largely to the power of France and Germany and United States to bargain and negotiate with each other. Russia in 1909 bought two and one-half times as much from Germany as she bought from the United Kingdom, and that is probably explained by the existence of the Russo-German Trade Treaty of 1904. Before the war Germany surpassed the United Kingdom as a seller of goods in Holland, Belgium, Austria-Hungary, Russia, Switzerland, Denmark, Sweden, Norway and Roumania—ten important countries. The question why the United Kingdom permitted Germany to surpass her in this respect is one for the free trader to answer, it seems to me.

Then, from the figures of sales by the United Kingdom to her twelve colonies and possessions, it is evident that other countries were overtaking the United Kingdom as a seller in those markets. In 1880 the United Kingdom sold to the twelve important colonies and possessions

£106,000,000 worth of goods; in 1909, £163,000,000 worth, an increase of a little over fifty per cent. In 1880; the colonies bought from all other countries £66,000,000 worth, and in 1909 £165,000,000 of goods. In other words, the other countries had surpassed the United Kingdom as a seller in her own colonies and possessions although the United Kingdom had started with nearly double the sales in 1880.

Then, there is another point. The net emigration from the United Kingdom was amounting before the war to many thousands a year while the net emigration from Germany before the war was practically nil.

These facts point to the conclusion, as I have said, that Germany and the United States before the war were rapidly overtaking the United Kingdom as a manufacturing nation. There is no doubt that if the Cobden theories had prevailed and his prediction had been fulfilled that within ten years all other countries in the world would adopt free trade policies, then matters would have been different and the United States would in all probability have remained more or less an agricultural country, getting all her manufactures from the United Kingdom.

The reasons why the United Kingdom is suffering under a free trade policy are as follows: The first reason is that the cost of manufacture depends more upon the quantities produced than upon any other consideration touching manufacture. In other words, the manufacturer who produces for a large market has a great advantage over the manufacturer who produces for a small market. The United Kingdom has 45,000,000 people, and that population is not protected, as a market, for the manufactures of the United Kingdom. In other words, the manufacturer of the United Kingdom has no market which he can really call his own. Germany has 65,000,000 people of her own to manufacture for, a market which is protected against the manufacturers of Great Britain and other countries. In addition to that, she has 45,000,000 people of the United Kingdom to manufacture for in a free market. In other words, she has a market of 110,000,000 people, as opposed to the market of 45,000,000 people that the manufacturers of the United Kingdom have. In the United States the difference is much more marked. The manufacturers of that country have 110,000,000 people of their own to manufacture for, a market which is protected by a high tariff, and the 45,000,000 people of the United Kingdom constitute an additional market which is open for their surplus products. That is of inestimable advantage to the manufacturers of Germany and the United States. That is one reason. The second reason is that the United Kingdom has thrown away the bargaining, negotiating power which she would possess under a protective tariff. The Russo-German Treaty was made in 1904, and Russia in 1910 was bying two and one-half times as much from Germany as from the United Kingdom. The United Kingdom has thrown that bargaining power away.

It must be remembered that international trade is based, not upon friendship or sentiment, but upon hard-headed bargaining power, the ability to fight in the markets of the world. Nobody will assert that the United Kingdom buys wheat from Canada or Australia because those two countries are part of the British Empire. She buys her wheat in the markets of the world where she can buy the best wheat at the cheapest price. There is very little sentiment in business. Germany and the United States have the advantage of being able to hold their own market with the British market thrown open, while the British manufacturer has no such advantage.

It might be well to point out that the Reciprocity Bill of 1911, which the hon. member for Red Deer (Mr. Clark), the hon. member for Shelburne and Queen's (Mr. Fielding) and I myself supported, and which I have never had any particular regrets for supporting, was based upon that very negotiating and bargaining power which the United Kingdom has thrown away. We could not otherwise have had reciprocity with the United States. The Fordney Bill, which has just been put through the House of Representatives of the United States and which will shortly be injuring the farmers of this country, could not be fought under a free trade policy. We cannot fight a protective policy with a free trade policy. But under our policy, Canada can show to the United States that ultimately the United States will do more harm to themselves by the Fordney Bill than to the people of Canada. The only way in which Canada can show that is by limiting some of the imports of the United States to Canada. In other words, Canada retains that bargaining power which the United Kingdom has thrown away. The farmers of the West should remember this, that a permanent or perpetual free trade

policy is a permanent or perpetual turning of the other cheek to your opponent, and the ordinary business man smiles delightedly when he sees his opponent turning the other cheek.

Another statement which is worthy of consideration is that the consumer always pays the duty. There are two mistakes in that one statement. One is that it implies that the consumer and the producer are two different people. As a matter of fact, all consumers are producers, with the exception of children, very old people and people in jails and asylums throughout the country. The second thing is that the statement is not correct. The consumer does not always pay the duty, and I will give this argument in support of my contention. Supposing a United States manufacturer is endeavouring to sell goods in the markets of Canada, and Canadian manufactured goods are as cheap as the manufactured goods of the American manufacturer. The only way in which the American or outside manufacturer can sell in the markets of Canada is by cutting his goods down to such a price that he pays the duty. It must be obvious that that is the only way in which he can compete. In England the consumer does pay the duty because in that country they put the duties entirely upon goods which are not produced there; they put the duties upon such things as tea, coffee, sugar and various other articles, that is, upon articles that are not manufactured in the United Kingdom. Therefore, in England, the consumer really pays the duty. It might be well to point out that England in the year before the war, collected by customs and excise duties more than Germany collected. Free Trade England collected, in 1913, by customs and excise duties, £71,500,000, while Germany collected £70,000,000 in the same year under a protective tariff, and in Britain all those duties are collected upon the necessaries of life. The United Kingdom, in 1913, collected, in customs duties alone, $170,000,000 and, in 1919-1920, $750,000,000. These vast amounts were collected on sugar. tobacco, tea—those are the three biggest items—cocoa, coffee, other foods, wines and liquors. There is an immense excise tariff on beer, and anybody who has lived in England, as I have, knows that the workingman looks on his beer as being just as much a necessary of life as tea. In 1918-19, the United Kingdom collected, in customs and excise taxes, on sugar, tea, tobacco, beer and matches, all, in a sense, necessaries of life, $585,000,000. As regards those articles, the workingman's family is hit just as much as the family of the manufacturer or the financier. If the United Kingdom were to impose a tariff upon manufactured goods and luxuries coming into that country, that is, shift those duties to suit herself and put them where they should be put, they would fall more upon the rich man and less upon the workingman and his family. Then in the United Kingdom, they have stringent trade union rules and factory legislation; yet they throw their markets open to countries which do not possess similar rules and regulations.

Sir Guilford Molesworth said that, in 1908, the per capita tax in Germany was only one-half what it was in the United Kingdom.

I have touched only a few of the items which I could have touched, but I have taken up sufficient time. In closing, I should like to say that, even if the free trade policy of England were admitted to be the best policy for England—and that is certainly doubtful according to the facts which I have laid before the House and which others have laid before the House on other occasions—that does not prove that it would be the best policy for Canada under her different conditions which I pointed out earlier in my remarks. I submit that absolute free trade would kill all our industries; it would drive out the different manufactures of our country. If the Fordney Bill is any criterion, if we perpetually turn the other cheek, the United States would kill not only our manufactures, but our agriculture as well. Germany and the United States are proof that countries can progress very rapidly under a protectionist policy.

I might point out one more fact, and that is this, that Canada gains many industries simply because of her protective policy. I took the trouble the other day to write the Department of Trade and Commerce asking how many American firms had established branches in Canada, and no doubt many of these have been established here because of the tariff; for instance, the Ford plant near Windsor would not have been established were it not for our protective tariff, but that plant has been established just across the river from Detroit, and many other United States firms have had to do the same thing. I received a reply covering sixteen closely typewritten pages of American firms that had opened branches in Canada. There were so many that I did not count them, but I estimated that there were somewhere between 400 and 600

plants, and no doubt many of them were established in this country because of the tariff preventing them competing in the Canadian market. In addition, Canada gains by a moderate tariff policy a bargaining or negotiating power, a larger industrial life, greater markets for her products, more opportunities for the youth of the land, greater development of our natural resources, a broader national life and a greater development of a national Canadian spirit.

Hon. RODOLPHE LEMIEUX (Maisonneuve): Mr. Speaker, I shall not trespass too long on the valuable time of the House. First of all, let me congratulate my hon. friend from Fort William and Rainy River (Mr. Manion) upon the magnificent address that he has delivered. I regret that we lost him in 1917, because I am sure that with his eloquence and his youth he would have been quite an addition to the Liberal forces in this Parliament. I hope, however, that the young sinner will repent and that some day he will find his way across the chamber.

I have listened with a great deal of attention to the Budget speech delivered by my hon. friend the present Minister of Finance (Sir Henry Drayton). I think that on the whole it must be conceded that the hon. gentleman was courageous and frank, and that he is entitled to the sympathy not only of this Parliament but of the whole country in view of the appalling situation in which Canada finds herself today. There will be regret expressed all over the land, however, because of the fact that the hon. gentleman failed to implement the promise which his predecessor made on several occasions on the floor of the House, and which he himself reiterated last year when he delivered his first Budget, that there would be a revision of the tariff. When one speaks of the revision of the tariff, one naturally thinks of a revision downwards. I have, Sir, expressed the opinion that there is regret abroad that there is no revision of the tariff, but I believe that when the Budget speech is read from one end of the country to the other, the country may perhaps be satisfied with the one presentment made by the hon. gentleman, because, though there is no revision in the duties downwards, one can certainly see by glancing over the resolutions introduced by my hon. friend the day before yesterday, that there is at least some revision upwards in the tax bill. I am not at all surprised at what has happened. I have never myself believed that there would be a revision downwards by the hon. Minister of Finance or his associates in the Government.

The Commission of Inquiry which roamed across the continent from ocean to ocean last fall was an object lesson to every Canadian who followed the events of the day. As my hon. friend passed from town to town, from city to city, from province to province he met delegation after delegation, of farmers, fishermen, manufacturers, labourers, miners, indeed of all classes. I followed very closely the evidence placed before the commission, more particularly in the province from which I come. My hon. friend the Minister of Finance listened complacently to the representations made by the high tariff people, but with some nervousness to the many representations that were made to him by those who favoured a reduction in the tariff. Not only did he show some nervousness on those occasions, but he even took issue with those who dared advocate a reduction in the tariff. As my hon. friend was thus pursuing his inquiry, his leader, the present Prime Minister, nailed to the mast the colours of his party and of the Government. He preached high protection from one province to another and so I lost confidence in the revision-to-be, and it is just as well that there has been no revision at all this year, because one may conjecture what a real revision means. Mr. Speaker, there is amongst the men of my faith an accepted maxim that when Rome has spoken the case is closed—Roma locuta est, causa finita est. The Minister of Finance and the leader of the Government have spoken without equivocation on the question of the tariff, and for the Canadian people the case is now closed. Canada will have high protection; she will have a high tariff, and I am sure that that will suit my genial friend the Minister of Marine and Fisheries and the special class which he represents.

I listened with great attention to the able speech of my young friend the hon. member for Fort William and Rainy River. I am not going to join issue with him, because, indeed, he has proven too much. He has proven that John Bull is very miserable under his abominable free trade policy. That is too much for me. It is true that the evidence which my hon friend adduced in support of his theory is what I might call bookish evidence. It is not based on facts, but on theories propounded by doctrinaires who would be only too happy if the whole world was commercially at war.

Yes, my hon. friend has proven too much, and I do not propose to accept his challenge.

I am not going to discuss here the respective merits of free trade and protection. The Parliament of Canada is not an academy. The Parliament of Canada is a forum, and the people of Canada represented by the Government and by His Majesty's loyal Opposition have to face problems as they are, not as they would have them. I have read in the almanac published a century ago by Benjamin Franklin, the quaint old saying that you must take men and events as they are, not as they should be. I claim to be a practical man, and as a practical man I must face conditions, and not a theory. Living as we do under a regime of protection, and standing as I do for a moderate measure of protection, mind you, for a reasonable measure of protection, nevertheless I cannot help saying that I regret that free trade is not the trade policy of this civilized world. I wish that Canada, if it were possible, but it is not, could have free trade as they have it in England. Free trade, I need not say, is a landmark in the history of the United Kingdom; but not only that, the introduction of free trade during the last century was a distinct landmark in the history of modern civilization.

I cannot but smile when I hear such a student as the right hon. member who leads the Government (Mr. Meighen) hint that free trade has made England a poor country. Last year he told us, in so many words, that under free trade, England had become a nation of remittance men. A nation of remittance men! Free trade England, Sir, during the last war, the greatest of all conflicts that have ever perturbed this wide world, showed of what mettle she was made. During that war, free trade England financed herself, first of all, to the extent of thirty-five billion dollars, and then she financed many of the Allied nations to the extent of eight billion dollars; and free trade England, which suffered and bled during those four years, is to-day paying off her debts to the tune of one billion dollars per year. I wish that my country, Canada, could follow the lead given by that nation of remittance men. But, as I said a moment ago, Canada is not England. Canada is Canada, and in spite of the misrepresentations of the Tory press, in spite of some of the speeches which are at times delivered by hon. gentlemen opposite, Canada never had a free trade policy embalmed in her statute books. And why? Because Canada, relatively speaking, is a new country, with immense territory extending from ocean to ocean, and over that vast space she has but a very sparse population, and the cost of government, civil and otherwise, is very heavy. Therefore, of necessity, the raising of revenue is a constant problem for this country.

How shall you raise your revenue? How shall you pay for the cost of your Government? There are but two ways of meeting the exigencies of revenue: indirect taxation, customs duty and excise, and direct taxation, that is, income tax. I am pleased that the Canadian people have at last learned how the revenue is raised. So long as Canada had only recourse to indirect taxation to meet her national obligations and the cost of government, and so long as she enjoyed relatively prosperous times, she did not fully realize what it was to raise a revenue. But, Sir, in Parliament, during the war, as the expenditure was growing from year to year, and reaching enormous proportions, it became imperative that recourse should be had to other sources of taxation, and I was one of the first, from my place in the House, to advocate the income tax. The income tax exists in the old countries; it has existed in France for many years. It is the most practical form of taxation, because thereby, the people feel that they have to pay, and they therefore look to their governments for the proper application of the moneys which are taken from them. Canada, therefore, has two systems of taxation, and with the customs, the instrument of taxation is, of course, the tariff. I regret that my brilliant friend from Fort William and Rainy River (Mr. Manion) extolled to the seventh heaven, such a barbarous system, because, after all, it is a barbarous system. My hon. friend, who is very fond of history, will find in the elements of political economy, that the origin of the word "Tariff" is traced to the name of a little port in Spain, a country which he compared a moment ago to England. He will find that in Spain in the old days, when the buccaneers roved the ocean, watching for the ships laden with the goods of this world, they would leave the little port of Tarifa and then levy sums of money on the legitimate traders from Britain, France, and other countries. Hence the origin of the word tariff; Tarifa was the home of the tariff, notwithstanding that it may now obtain in Canada, America, Germany, or elsewhere.

9 p.m.

Mr. MANION: May I say that I was not lauding the tariff? My position was exactly the position of my hon. friend; I was taking necessities into account.

Mr. LEMIEUX: Now, the war is over, and the glamour of war has vanished; and my hon. friend who, as he said a moment ago, supported in 1911 the infamous Reciprocity Pact, might come across to this side, for there is no shackle that should keep him where he is at present, unless it be that his hopes are exalted, and that he anticipates finding himself some day seated next to the Minister of Finance as one of the Cabinet ministers.

Mr. LAPOINTE: It would be a pretty short stay.

Mr. LEMIEUX: Mr. Speaker, we in Canada are, of necessity, a protection-given people; but there are different ways of applying that policy. It is alleged in the press and in the House, by way of a taunt to us, that the Liberal party and the party opposite are alike, and that there is no real difference between hon. members on your right, Mr. Speaker, and those on your left, the only difference being as between the party angularly opposite the Minister of Finance, and the rest of the House. Well, Sir, parties in this country must be judged by their methods, by their records, by their accomplishments. Let us eliminate the war period, which I admit was an abnormal one, a period that required of this Parliament, and of the country, more sacrifices than ordinarily in the matter of taxation and expenditure.

Let us take two normal periods of recent history. Surely the party to your right, Mr. Speaker, will not disown the period which saw the birth of the National Policy, from 1879 to 1896. For our part we to your left, Mr. Speaker, are proud of the period that extends from 1896 to 1911. We are proud of the gentleman who, because he was the Finance Minister, personified that golden era which he described last year and yesterday in such eloquent language. Consider the series of deficits which mark the administration of the Minister of Trade and Commerce (Sir George Foster) from 1883 until 1896—deficits which in 1896-1897 amounted to $519,000. We can compare those deficits with the surpluses which mark the Liberal administration. Thus, the year 1896-97, the last fiscal year for which the Minister of Trade and Commerce was responsible, was marked by a deficit of more than half a million dollars, and the year 1911-1912 the last fiscal year for which the hon. member for Shelburne and Queen's (Mr. Fielding) was responsible, was marked by a surplus of over $37,000,000. Mr. Speaker, I say that I can compare with pride the years when I had the honour to be associated with the Laurier-Fielding administration.

To listen to hon. gentlemen opposite one would imagine that prosperity was non-existent during that period and that we should forget all about it. It is by reading history and by remembering the past that we may guide ourselves for the future. From 1878 until 1896 no less than one million Canadians drifted to the Republic to the south of us. The population of Canada in 1878 was only 4,078,000. In 1896 it had increased to 5,086,000 in round figures. In 1901, under the Liberal Government, the population of Canada was 5,403,000 and in 1911 it had grown to 7,158,000. The deposits in chartered banks and savings banks in 1878 were a little over $79,000,000. In 1896 they amounted to a little over $245,000,000. In 1911, thanks to that wave of prosperity which had passed over this country, there was in the savings banks and in the chartered banks the enormous sum of $968,183,000. The total exports of Canadian produce in 1878 were $68,000,000 in round figures; in 1896, $110,000,000; and in 1911, $274,316,000 in round figures. The total export of agricultural products in 1878 was $18,000,000; in 1896, $40,000,000; and in 1911, $82,601,000. Of manufactured products there were exported in 1878, $4,127,000; in 1896, $9,365,000; and in 1911, after the Laurier government had been in office for fifteen years the exports of manufactured products amounted to $35,283,000. I say, Mr. Speaker, that with the same basic policy, but administered by different methods and different men, the Liberal party gave Canada prosperity, whilst hon. gentlemen opposite gave Canada adversity.

Last year, and again yesterday, the hon. member for Shelburne and Queen's explained how he applied in 1896 the principles that were so successful. He held an inquiry from ocean to ocean. He received the farmer, the fisherman, the miner, the manufacturer, the labourer. Did he insist that those who came before his colleagues and himself should be satisfied with either a high tariff, or a low tariff, or no tariff at all? He listened, and having listened, he returned to Ottawa and framed a tariff policy which was given effect to in the session of 1897. The Liberal and Conservative policies are alike, we are told, and it is even asserted that the duties were higher under the Fielding tariff than they

are under the Drayton tariff. Yesterday the member for Shelburne and Queen's explained fully and to the entire satisfaction of any unbiased mind, that there was a revision downward under his tariff reform, 47 articles were added to the free list, and there was a substantial reduction in 147 other articles. In 1907, ten years later—following the policy which my hon. friend (Mr Fielding) had adopted of revising the tariff every decade—he held another inquiry from ocean to ocean and as a result there was a further revision downward, and 253 articles were put on the free list.

Even my hon. friend the present Minister of Finance will agree with me, I think, that the establishment of the British preference was a splendid stroke of policy —a policy which was acclaimed not only by the Canadian people but by the people of the United Kingdom. It was then that Canada became known throughout the whole world. In order to make that policy effective the right hon. the late Sir Wilfrid Laurier and my hon. friend from Shelburne and Queen's (Mr. Fielding), the then Minister of Finance, obtained from the Mother Country renunciation of the Belgian and German treaties. The establishment of the British preference is a landmark in the fiscal history of Canada. First it was 12 per cent, then it was raised to 25 per cent, and finally to 33⅓ per cent.

What were the results of that policy? We are told by some of the die-hards of the Tory party that the aim of the Liberal fiscal policy, if carried out to its full intent, would be the destruction of our industries. I am glad to see my hon. friend the Minister of Marine and Fisheries (Mr. Ballantyne) in his seat, for he is one of the beneficiaries of the wise Liberal policy of 1897. If he ever became the business man he is—and every one will admit that he is a good business man —it is because of the policy which was carried out under the direction of my hon. friend from Shelburne and Queen's. We were told that the industries of this country would be wiped out, and my hon. friend cited yesterday the classical phrase of the late leader of the Conservative party, Sir Charles Tupper. Well, 'et us see what happened. In 1890 the capital invested in our manufacturing industries was in round figures $331,635,100; in 1900, three years after the Fielding policy, the capital invested had reached the figure of $446,916,000; and in 1910, the year which preceded the defeat of the Liberal Government, that capital investment amounted to $1,247,583,000. Salaries and wages paid in 1890 amounted in round figures to $79,000,000; in 1900 to $113,000,000; in 1910 to $241,000,000. The value of products in 1890 in round figures represented $368,000,000; in 1900 $418,000,000; in 1910 $1,165,975,000. Those are the results of the sane application of a policy by statesmen who had regard not only to the manufacturers but to the labourers and the consumers at large.

The British preference, Mr. Speaker, was one of the mainstays of the Liberal fiscal policy of 1897. That edifice of the hon. then Minister of Finance was crowned by the reciprocity pact which he negotiated with the American Government without going on his knees to Washington but at the invitation of the President himself, while during many years before under the Dingley and McKinley tariffs,—which practically prevented Canada from trading with the United States—our statesmen from both parties had been annual pilgrims to Washington.

I for one deeply regret the present attitude taken by the U.S. Congress. These are sad forebodings—the Fordney Bill, replaced the other day by the Young Bill. That measure speaks a language which will create in many Canadian homes sincere regrets that the country went wrong in 1911. As the hon. member for Shelburne and Queen's stated yesterday, with a sob of emotion in his voice, Canada could complain before 1911, but after the attitude of the right hon. gentleman (Sir Robert Borden) and his Government and associates, she cannot complain now because she has officially declined to accept the offer made to her. Sir, it is essential that as between Canada and the great American Republic there should be the most cordial relations. As I stated once before, the two countries speak the same language and are governed by practically the same laws, they practise the same religion and share the same ideals. The peoples of the two countries are liberty lovers and God fearing. Although we have a long boundary line between us, it is entirely unfortified and there is no cloud of misunderstanding. We have given a worthy lead to the nations of the world by settling our differences amicably, and I hope there will never be fired a shot in anger by either of the two countries. Since the war of 1812 forty-three questions between the two countries have been settled by arbitration, and because the Treaty of Ghent has been adhered to by Great Britain on the one hand and the United States on the other

there has never been a ripple to speak of in the relations between both countries.

But, as the British ambassador stated in Ottawa last fall, speaking before the Canadian Club, great wars between nations are generally if not always preceded by commercial quarrels. Why should we in Canada or they in the United States pick a quarrel in respect to matters affecting our mutual trade relations? I hope, that common sense will prevail. I do not know why our friends of the Tory party are so faint hearted that they will not prosper alongside the United States by exchanging goods with them. I hope that the leader of the Government who is a staunch Britisher, can answer for the loyalty of the Tory party. I know that the leader of the Liberal party and the respected member for Shelburne and Queen's (Mr. Fielding), whose devotion to British ideals is well recognized, can answer for the loyalty of the Reformers.

I have, I think, demonstrated, to the satisfaction of this side of the House at all events, that if it is the same basic principle which is followed of necessity—the principle of protection—at least the methods persued are different. Yes, Mr. Speaker, the methods differ. You have only to think of the period between the years 1896 and 1911. Were there any bread lines during those years? Were there any unemployed? I will not say 150,000, because that is the number of unemployed at present in Canada. I will not say 35,000, the number of unemployed in the city of Toronto alone. Were there at any time during those fifteen years 10,000, even 5,000 unemployed persons? There was no unemployment; the country was busy, almost feverish in its activities. But to-day, what a serious condition of unemployment. Then, there is the decrease in the rural population. I have not the figures for each province but I know that in the banner province of Ontario there has been a marked decrease in the rural population, and there is a loud complaint from rural constituencies that this state of things is demoralizing. The population, is decreasing in rural centres and increasing abnormally in urban centres. Did you find that state of affairs during the Liberal regime? Sir, one must judge of a policy by its results. Do you think, for instance, that during the administration of the Finance Department by my hon. friend from Shelburne and Queen's you would have seen any coquetting with the sugar refiners of Canada one evening and the next morning a quick order given to the Board of Commerce—the Prime Minister's own creation—to force the Canadian consumer to pay 21 cents a pound for refined sugar at a time when that sugar was being sold at 11, 12 and 13 cents—

Sir HENRY DRAYTON: Do I understand that my hon. friend is referring to me?

Mr. LEMIEUX: Oh, no; my hon. friend is too good a soul, too humane to practice such methods. But he will not deny that all of a sudden last fall the Canadian people realized what protection by the Tory party meant. Here was a case where the Canadian consumers were forced to pay 21 cents, forced to buy from the Canadian refiner only, when across the line that same sugar could be bought at 11, 12 and 13 cents. Mr. Speaker, I thank the Government for having given to the consumers that object leason of what protection is as administered by a Tory Government.

Mr. Speaker, one must judge of a policy by its results. Who will deny that during the fifteen years of Liberal administration the vast prairies of the west became the subject of peaceful invasion on the part of sound and healthy immigrants? I have many quarrels to settle as a member of the Laurier Government, as a Canadian and, shall I say, as a French Canadian, with the ex-Minister of the Interior, Sir Clifford Sifton. But simple truth compels me to say that as Minister of the Interior he had a full grasp of the problem of immigration. I have to admit, Sir, that no Minister of the Interior ever did as much for the Canadian West as Sir Clifford Sifton did. Compare the administration of that regime with that of the present incumbent, and his immediate predecessor, and what is the spectacle that you have? The figures were given by the genial member from Mackenzie (Mr. Reid) as taken from the annual report of the Commissioner General of Immigration of the United States for 1920. For the year 1918-19 the total number of immigrants coming into Canada from the United States was 44,003 and for the year 1919-20, 48,624. But here is a regrettable statement to make: In 1918-19, 96,075 Canadians left Canada and drifted to the United States. Worse still, in 1919-1920, 143,843 Canadians left Canada for the United States. The net loss to Canada in 1918-1919 was 52,072 and, in 1919-20, 95,219. I say again that the two policies cannot be the same; because they are so far apart in their results. Under the Lib-

eral regime, the West became a vast expanse of smiling fields, whilst to-day certain sections of the West, if I am correctly informed, are being desolated by this plague of emigration. Surely, Sir, it is not the same policy, and the hon. member for Shelburne and Queen's (Mr. Fielding) proved that beyond peradventure yesterday as he quoted the famous comment of the late Sir Charles Tupper. For the veterans of the House who remember the kind and genial gentleman who once represented the county of Halton, and was honoured by his political friends with an appointment to the Privy Council, I might quote the late Mr. Henderson, who, speaking in 1902 on the fiscal policy of the Liberal party, used this language:

> It was said in the early days of the present tariff that the Liberals had stolen our clothes. What is being said now? I have never said so and I do not consider that they have done anything of the kind. I am only sorry that they did not, for it would have been better if they had. Their tariff is instead, just the antipodes of ours.

There you have the confession of faith of the leaders of the Conservative party that the two policies are not the same; they are applied differently, and in my judgment, applied with success by the Liberal party. This, however, is past history. What of the future? The situation is fraught and freighted with heavy responsibilities indeed. It is true that the Canadian people are tendered candid advice on the part of the Minister of Trade and Commerce (Sir George Foster). Last year, after looking at the rows of figures which constitute our national debt, our deficits, our total taxation, the right hon. gentleman said: "Oh, well, we must practise economy." These are his very words:

> Stop wasting. Go to work. Produce. Stop grouching and grumbling and we will soon get back to an atmosphere that is bright and happy and hopeful.

Fine words that butter no parsnips. The right hon. gentleman comes back this year, and he is again a spectator of that enormous row of figures, marshalled in his presence, so to speak, like an army, billions of national debt, millions of deficits, millions of taxes, and this time he says: "Oh, it was the war. During war time, the slogan was: more money, more munitions and more clothing." The right hon. gentleman should not forget that three years ago on November next, the armistice was signed. The glamour of war has passed away, and under the fierce light of criticism, this veneer of a pretext disappears completely. During the war my right hon. friend knows that money was easy to get, because the people were determined to win the war; they were enthusiastic, and they were ready to make all necessary sacrifices in order to reach the goal of victory. But that glamour has passed away and Canada must now face realities. The right hon. gentleman cannot lure the people any longer with fine rhetoric. During the war rivers of gold, of course, were flowing with such extravagant loans as were launched by my hon. friend's predecessor through the medium of untaxable victory bonds which have created in this country a monied aristocracy. I commend the courage and patriotism of the present Minister of Finance (Sir Henry Drayton). The war was over; he launched his loan, and trusted the patriotism of the people. The bonds were not as before, untaxable. Not only have we to face an enormous debt of $2,350,000,000; not only have we to raise this year $435,360,000 on an estimated revenue, according to present legislation, of $372,600,000; but what the people of this country must realize is that besides this enormous Dominion debt, there are provincial debts and municipal debts as well, so that the taxpayer is burdened with a very heavy taxation bill. I had prepared by the Dominion statistician some figures which are very eloquent. The Dominion Government per capita debt in 1920 was $300, in round figures, while the Dominion Government per capita debt, in 1914, was only $43. As regards the provincial per capita debt, I regret the figures do no go beyond 1919, but the figures of this year are certainly greater than those of 1919. Prince Edward Island has a per capita debt of $15.59; Nova Scotia, $29.56; New Brunswick, $64.95; Quebec, $18.90; Ontario, $34.59; Manitoba, $75.30; Saskatchewan, $43; Alberta, $75.83; British Columbia, $52.13. You must add this provincial per capita debt to the Dominion Government per capita debt. Besides that, you have the municipal debts all over Canada. Unfortunately the rural municipalities and the towns do not all send in their statistics to the Dominion statistician, but I have here the figures for a few of the largest cities in Canada, showing the municipal per capita debt: Montreal, $176.62; Toronto, $219.70; Winnipeg, $230.61; Vancouver, $236.21; Calgary, $371.33; Halifax, $109.94; St. John, $85.25; Regina, $291.90; Charlottetown, $59.90.

Sir HENRY DRAYTON: Are these gross or net debts?

Mr. LEMIEUX: These are net debts, but gross or net, they make an alarmingly large figure when added together. This country is taxed to the limit, and overtaxed. I appeal to my hon. friend the Minister of Finance on behalf of the taxpayers of this Dominion. I know that my appeal will reach his ears, and I hope his heart too. I could read him letters by the score, from rich men, from people of the middle classes, and from the labouring classes, showing a great deal of anxiety as to how they can face the tax bills of the municipal, provincial and Dominion governments combined. I solemnly ask my hon. friend to live up to his oath of office, as I know he will. Let there be a substantial reduction in the expenditure of the Government, and a policy of retrenchment inaugurated under his regime. In view of this alarming situation, it seems to me that we should concentrate all our efforts on Canada, our country. How should we proceed? I believe in the doctrine which is expressed in the old saying "first things first." How can this Parliament concentrate all its attention and all its efforts on the welfare of Canada?

First, we should revert to responsible Government. This Parliament is not representative of the people of Canada. How can you otherwise account for the lack of interest taken in the proceedings of this House? I have sat in the House of Commons now for 25 years, when Canada never had to face problems such as she is facing now, but, Sir, in no past Parliament have I witnessed such a lack of interest in its proceedings. Yesterday I expressed my surprise to my hon. friend who sits at my right, the able and eloquent member for Quebec East (Mr. Lapointe), that during the address delivered by the right hon. the Minister of Trade and Commerce, admittedly one of the great orators of this country, a man of very wide experience indeed, there should be only a handful of members on his own side to listen to him. Quick as a flash came the answer from my hon. friend, "Because this Parliament is not representative of the people. It is an abnormal Parliament which only fills a gap. The people of Canada are intent on having an election."

This Government has no mandate, and why should any party sail under false colours? I can quite understand that under the stress of war a coalition Government might be formed, although the history of all coalitions both in England and in Canada is a sad one indeed, but why should a party continue to sail under false colours? Mr. Speaker, this is a British country; we have British ideals of government. There is a Liberal party, an historic party; there is a Conservative party, an historic party. Each represents a tradition. Why should a party absorb the names of all the parties, Conservative, Liberal and National? The name of the party opposite is a misnomer. Let the Tories show their true colours; let the hon. member for London (Mr. Cronyn) who is associated with such a great Liberal statesman, let my hon. friend from Fort William and Rainy river and other hon. gentlemen who in a moment of weakness joined the Tory party return to the fold. Let me at this point quote what was said not long ago by Mr. Asquith:

> My counsel to you is to keep faithful to your old traditions, to safeguard and vivify your organization and never lose sight of that saving quality which alone makes politics a reputable profession for honourable men, that a party exists not to keep power, not to acquire power, but it exists for the promotion of great and worthy ideals.
>
> Just think, in a situation such as this, what would have been the attitude of men like Mr. Gladstone? Do you think they would have allowed themselves to be scared by the bogey of bolshevism—

One would almost think that Mr. Asquith was speaking in answer to the right hon. the Prime Minister (Mr. Meighen):

> —into furling the old flag and marching, with bowed head and reversed arms, horse, foot and artillery, into the camp of the enemy?

Mr. Speaker, let us have a return to the fold on the part of those who in their heart of hearts, in their inner consciousness, feel to-day that they are untrue to their life-long principles.

Second, let us have a free press. Is there anything more degrading than the correspondence which has been published recently showing that one of the heads of the Manufacturers' Association of Canada has been summoning editors to his office and then making terms with them? The vast majority of them, I dare say, were true to their convictions and refused to become time servers to the high tariff association. But is there anything more degrading in public life than the realization that in this young country, with such a great future ahead of it, those whose mission is to inform the constituencies should be under the whip of a representative of the big interests, and who will go the length of poisoning the wells of public opinion? Sir, this very day, in the city of Montreal, there is a case pending before the courts in which Lord Atholstan is

suing the editor of La Patrie for the recovery of a very large sum of money which is alleged to have been paid to secure the support of that paper during the elections of 1911; and according to the press, the defendants are summoning as their witnesses the ex-Prime Minister of Canada (Sir Robert Borden), and the ex-Minister of Public Works. I have no doubt that both of these gentlemen will appear before the court at Montreal and will leave that tribunal with clean hands; but if it were proven that a party raised from big interests $50,000 or $60,000 to control one paper and one paper only during one campaign, then I say that one must despair of the future of this young country.

Having secured free Parliament and a free press, let us banish patronage forever from the public life of this country. It was said in 1911, Mr. Speaker, that at last the voice of Toronto would be heard during the elections. Will my hon. friend the Minister of Finance listen for one second to the voice of Toronto? As he lives in Ottawa, the civil servants in the capital might shout, perhaps, too loudly, and my hon. friend might be deafened by the uproar; but the voice of Toronto has time to mellow before reaching his ears. Here is what I read from the Civil Service Association of Toronto, in regard to Bill No. 122, as drafted and introduced by that dear old gentleman, the minister without portfolio (Mr. Spinney), who is astray in a field in which he does not belong. The Civil Service Association of Toronto states:

> The Bill as drafted will provide for:
>
> First: The substitution of political influence instead of merit in the most important appointments to the public service.
>
> Second: The substitution of political influence instead of merit in promotions.
>
> Third: The repeal of the present preference to returned soldiers in the most important appointments.
>
> Fourth: The nullification of the work of classification and reorganization.
>
> Fifth: The introduction of political partisanship, political influence and inefficiency into the public service of Canada,—
>
> from which it will be seen that all incentive to ambition and efficiency in the service is removed and servants of the public are again placed at the mercy of patronage mongers.

I may not be in order in discussing a Bill which is now under consideration, but I am only inferentially referring to it, and I say that if you revive patronage, you work against what I think is and should be the aim of the Minister of Finance, namely, the practice of economy and retrenchment.

10 p.m.

I said a moment ago that we should concentrate all our efforts on Canada. In the name of common sense, let us not embark upon Imperial ventures. The last war was fought for the purpose of ending all wars, and the madness of armaments has gone for ever, I trust. The sabre-rattling business has been consigned to the junk heap. Let us call a holiday in connection with armaments once and for all. There is no necessity at the present time for Canada to spend the millions which my hon. friend the Minister of Marine and Fisheries intends to devote to the naval service. The hon. gentleman can well do with at least one half of that amount. For the pride of carrying out, as he said this afternoon,—and no one on the other side seemed to evince any nervousness upon the statement—the Laurier naval policy, I am quite willing to spend about half the amount which my hon. friend has put in the Estimates, although I do not suppose that for this year or next year, or for the next five years to come, it will be necessary to spend any money at all. But it can patrol the waters of the Atlantic and the Pacific, and we can have our naval academies and yards open; but it is unnecessary to spend this large initial amount. The trouble with my hon. friend the Minister of Marine is that he has developed an enormous appetite, he has been diving into millions and millions since the war began, and since he has been in the Government, and he cannot stop. Let me tell him in all sincerity we accept his statement that he has brought his political associates to time, he has made them accept the once abhorred naval policy of Sir Wilfrid Laurier and the principle of autonomy upon which that policy rests, but he should call a halt to more naval expenditure. Mr. Speaker, we should cut the frills of the Militia Department. There is no necessity for the Militia Department spending twenty millions this year. We can certainly do with twenty-five per cent at most of the amount placed in the Estimates under that head. As regards the mounted police I would send them into our western territories. I say to the Government "Practise economy and retrenchment not by word of mouth but by actual deeds." This Washington Embassy outlay—well, it is better to write it off. Nobody believes in it and it is $100,000 net loss to the country; or perhaps it is $100,000 to pick up a quarrel with the Mother Country under the shelter of the British Embassy at Washington. The mercantile marine is too costly a toy. Fifty millions spent on that mercantile marine!

Mr. DUFF: Seventy millions.

Mr. LEMIEUX: Seventy millions spent on that mercantile marine under present circumstances is nothing short of a scandal. The best authority in this country on shipping is, I presume, a gentleman whom my hon. friend (Mr. Ballantyne), well knows, the Chairman of the Canadian Ocean Services, Mr. Bosworth. Speaking at Vancouver not so very long ago that gentleman said:

"I could get all the ships I want, enough to fill your whole harbour (Vancouver) here for from $50 to $75 a ton" Therefore, considering this tonnage shrinkage, there has not only been experienced an actual loss in operation, but a serious depreciation in capital as well. Last year every ship in operation could have been disposed of for what they cost; to-day it is doubtful whether they could be sold for two-thirds of their cost for this condition, four things are responsible:

(1) An unlooked-for surplus of ships. (There are 16,000,000 more tons of shipping in the world to-day than at the beginning of the war);

(2) A decline in ocean freight rates. (On some commodities it has been as much as 65 per cent);

(3) Smaller cargoes; and

(4) An increase in operation costs; supplies and wages having advanced from between 100 and 300 per cent.

I commend these words to my hon. friend the Minister of Finance. He must substantially reduce the expenditure and retrench if he hopes to restore the credit of Canada. As was said the other day Canada, for many years to come, will be a borrowing nation. But, Sir, the lending nation will always look at the balance sheet of Canada, and when it sees such a rash programme as the one propounded by the Minister of Marine if it loans Canada at all it will be at such rates that we may well call them exorbitant.

The railway problem has to be met and it is indeed an appalling one. I shall not discuss this subject this evening, but I may have something to say upon it at a later date in the session. The only means I know of to meet this emergency is for the Government to inaugurate a vigorous policy of immigration and of land settlement. I am told that there are in the far West twenty-five million acres of unoccupied agricultural lands, within twenty-five miles of existing railways. No later than yesterday I read from Canadian Finance the following:

The settlement of 20,000,000 acres of lands in Western Canada during the next few years will have far-reaching effects. Divided into approximately 100,000 farms it would mean an influx of 100,000 farmers with their families. The average family numbering five—we would, therefore, have 500,000 persons added to our agricultural population. It is found that the agricultural population of a country needs an equal population in industrial life which means an addition of 500,000 to the population of the cities, towns and villages of Western Canada.

The increases in national wealth which would result from the accomplishment of the aim of the Western Canada Colonization Association may be summarized as follows:

New wealth brought in by settlers	
New wealth brought in by settlers.	$ 150,000,000
Net worth of new farm production in perpetuity	1,875,000,000
New capital attracted from abroad for industrial undertakings	75,000,000
Worth of new wealth resulting from profits on handling new farm production	500,000,000
Total	$2,600,000,000

This vigorous land policy would increase the production of our farmers, and would thereby increase the freight available for our railway system, thus reducing the deficit.

The great asset of Canada is her soil, the great asset of Canada is the natural resources of her vast territory. After all who shall pay this debt, this enormous debt, of ours? No doubt the revenue raised by means of taxation will pay a part of that national debt but it is through the farmer and the export of the produce of the farm, through the miner and the export of the produce of our mines, that the national debt of Canada will eventually be paid.

On this point may I call the attention of the Government to the little encouragement which is given to the mining industry. The prospecting, the proving, the developing and the operating of the mines are the four great stages of this industry. In the first three departments money is constantly expended, a very large proportion of it yielding not only no profit but no return whatever—the money is lost. Does it not appear reasonable that those who thus risk their money should be entitled to a square deal and be enabled to purchase such diversified machinery as may be required, selecting the market where the best can be purchased and where the expenditure will go the farthest. In other words, Mr. Speaker, I would like the Government in their fiscal policy to consider the case of the miner and the prospector, as I would like the Government to consider the case of the farmer in the way of cheap agricultural implements. It must not be forgotten that producers of minerals have, in the majority of cases, to compete against the world. Hence they should be safeguarded against enhancement in the cost of the necessary preliminary and ex-

perimental operations, and also against an enhanced cost of development.

Now, let me turn my attention to another subject. I have listened with a great deal of attention this afternoon to the remarks of my good friend the Minister of Marine and Fisheries. He has been very complimentary to his native province. He has repeated what we have read in the press for the past year, that Quebec is a sane, sober-minded province, that her people are liberty-loving, law-abiding and God-fearing. I accept those compliments, Mr. Speaker. I regret that my hon. friend during the election of 1917, when he delivered a speech at Hamilton, was not so complimentary about the men from Quebec. Pardon me if I am a litle personal—

Mr. BALLANTYNE: If my hon. friend will allow me, I never made a speech at Hamilton during the election.

Mr. LEMIEUX: At London?

Mr. BALLANTYNE: At London.

Mr. LEMIEUX: Well, really they are not very far apart. At any rate I accept the correction.

Mr. BALLANTYNE: I wish also to inform my hon. friend, without knowing what he is going to say, that never at London or any other place did I utter one word against the province of Quebec, either when its citizens were in the uniform of the King or otherwise; quite the contrary.

Mr. LEMIEUX: My hon. friend has a poor memory.

Mr. BALLANTYNE: I know what I said.

Mr. LEMIEUX: He has been figuring in so many millions respecting his ships and drydocks, that he forgets easily his rhetoric on that occasion, but I cannot forget his words—

Mr. BALLANTYNE: I know what I said.

Mr. LEMIEUX:—because he said on that occasion: "I do not take my Liberalism from the Lauriers, the Lemieux, the Bourassas and the Lavergnes." What did he mean when he said that, especially about Sir Wilfrid Laurier—and, if I may also ask, about myself? Did he mean that Sir Wilfrid Laurier had no interest in the war which brought the hon. gentleman to the Conservative party? Did he mean that I had no interest in the war? Can he explain what he meant? I will accept his explanation.

Mr. SPEAKER: Order.

Mr. LEMIEUX: My hon. friend by that speech made what I would call in law an innuendo against my loyalty, and I resent that because, as my hon. friend said this afternoon, if in the province of Quebec racially we are French—and we are proud of our ancestry—politically we are British. Then what was the meaning of that speech about Sir Wilfrid Laurier, his old and trusted leader, who said in 1914 that his heart was in the great conflict, and who proved true to the words he then uttered? During his whole life, including the war period, my revered leader, the right hon. Sir Wilfrid Laurier, was loyal through and through. And I was loyal, too. But I do not boast of my loyalty; my loyalty does not spring from the lips, it is in my heart.

My hon. friend said that we, the Liberal members on this side of the House, were satisfied at the isolation of our province. First of all, I would remind him that our province is not isolated. The Government is isolated, and my hon. friend is isolated in the aforesaid province. He promised that he would do his best to dissolve what he calls the bloc. Well, he can begin to-morrow or next week in the old riding of Yamaska. I and my friends accept the challenge. I know that my hon. friend will be given a cordial and courteous reception if he comes into the county of Yamaska. I will be there on Saturday next, nomination day, with my good friend from Quebec East (Mr. Lapointe). I invite the Minister of Marine and Fisheries, his colleague the Minister of Justice (Mr. Doherty) and his other colleague the Postmaster General (Mr. Blondin) to be present on the platform. My hon. friend may say, "But I cannot deliver a speech in French." I will speak in English; my hon. friend will do likewise. I invite the whole press of Canada to send representatives. Our language there will not differ from our language here.

My hon. friend made a false step this afternoon. I could see by the attitude of the right hon. Prime Minister that he felt quite uneasy. When asked by the hon. member for Quebec East if the Government had a candidate in Yamaska, my hon. friend at once answered, "Yes, Mr. Mondou is the Government candidate in Yamaska." My hon. friend says so still, I understand. Well, if Mr. Mondou is the Government candidate, it is well that the House should know what he thinks of the Government, and what is his opinion of the Prime Minister whose candidate he

also is, if one accepts the principle of ministerial solidarity. The right hon. gentleman became Prime Minister last summer after a caucus, not after an appeal to the Canadian electorate. Mr. Mondou was just back from Europe at that time, and that great paper, La Presse, which was quoted with such pride this afternoon by the Minister of Marine and Fisheries, despatched one of its reporters to get from Mr. Mondou his opinion of the new Prime Minister. Mr. Speaker, I have crossed swords on many occasions with the right hon. leader of the Government. I differ toto coelo from him. His principles and my principles cannot agree; his policy and my policy are as far apart as night from day. But, Mr. Speaker, I would never for the life of me dare express about the Prime Minister of Canada—who, after all, is the first citizen of the country—the opinion expressed by his candidate in the present election of Yamaska. Now my hon. friend will see what a false step he made. Remember that Mr. Mondou, in the county of Yamaska, says that he is the Mondou candidate, not the Government candidate, and will have no Government supporters around him. This, of course, is the old trick of 1911. Here is the text of the interview. On July 8, 1920, one of the reporters of La Presse interviewed Mr. A. A. Mondou, ex-Dominion member for the county of Yamaska, and here is that gentleman's appreciation of the Prime Minister:

> The selection of the Hon. Mr. Arthur Meighen is the worst that could have been made. Do they take the Canadian people for a lot of imbeciles, since they will impose that narrow-minded man as the head of the Government of this country? He is the most bigoted politician who sits at Ottawa, and with all that, as a minister, an undiluted chauvinist. He sees nothing but the West.

My hon. friends from the prairies will be very much surprised to hear that.

> He has not the breath of mind necessary to enable him to become a Prime Minister. He may represent the West, but not the true sentiment of the West. If one takes into account the public sentiment in the various provinces, I do not believe that he could have one of his ministers re-elected. With a Prime Minister like Mr. Meighen the province of Quebec can expect nothing—not only nothing reasonable, but nothing fair. It is an open secret that he has been the High Executioner of the Government during the war period. Consult the public records: the thirty five millions—he is the one who got them from Parliament. The gag—he is the inventor of the gag. In Borden—

I quote ipsissima verba.

> —the Canadian people lose an indifferent being, but in Meighen they take a hangman and an autocrat. That man represents the quintessence of ultra-Toryism. Sir Thomas White would have accepted the task of forming a Government, but he exacted in advance the sanction of a general election, and then he would have made peace with the province of Quebec. But the hon. Mr. Meighen snaps his fingers at Quebec and will treat our province during peace time as he treated her during war time. I am convinced that we shall have elections, but come what may, I will be a candidate in Yamaska.

Now, having read this to the House—and I assume my hon. friend will accept my English version of it—I again ask him if Mr. Mondou is still the candidate of the Government in Yamaska.

Mr. BALLANTYNE: I am very glad Mr. Speaker, that my hon. friend has given me this opportunity to answer this question. The article that he has just read is, of course, quite familiar to me and to all members, especially those from the province of Quebec. My hon. friend takes everything that he has just read as the gospel truth.

Mr. LEMIEUX: But it is from La Presse.

Mr. BALLANTYNE: Quite so, but my hon. friend has lived long enough to know that he must not take for gospel everything that he reads even in the daily newspapers of the city of Montreal. Mr. Mondou will make his reply in good time. I am happy to say that he is the Government candidate in Yamaska.

Mr. SPEAKER: The hon. member for Gaspé invited the answer to his question, and now that the Minister of Marine has spoken I trust that the hon. member will not expect replies to further questions on the subject, as that would be entirely out of order.

Mr. LEMIEUX: The question, Mr. Speaker, was put by the member for Gaspé, and now the member for Maisonneuve will address the House.

In conclusion, let me say to my hon. friend who has charge of the Yamaska election and of the Government candidate in that election that Quebec is as sane to-day as she was yesterday and so she will be to-morrow. Let me remind my hon. friend that Quebec is as adamant to flattery as she has been to insults, and as she is to corruption and bribery. My hon. friend spoke somewhat lightly about the representation in this House from the province of Quebec; he seemed to treat my fellow members with very scant consideration. It is strange, however, that he and his friends have been systematically poaching on the

Liberal preserves of late. We may be bad fellows indeed, but if perchance we would join hands with him and betray our Liberal faith, perhaps we might be regarded as rather good accomplices. In the elections of 1917 Quebec elected 62 Liberal members out of a total representation of 65. It was Edmund Burke, I think, who said, speaking about the American rebels, that you could not draw up a bill of indictment against a whole people. If Quebec was wrong—well, as it is said of the Pope of Rome, when he speaks ex cathedra, she was in my judgment, infallibly right at the last election. Quebec, Sir, elected 62 Liberal members out of 65, against the Government and the faction which my hon. friend represents. Quebec to-day is just as much opposed to the Government as she was then. My province is entitled to choose her own associates, her own political partners. We live in a free country. If my hon. friend reads the history of the French Canadian race since it has been blessed with responsible government he will realize that my fellowmen have some regard for honour in public life. A man may become "honourable" by law—that is one thing, but to remain honourable is another thing. Hon. gentlemen on this side do not wish to become honourable only by law; they prefer to remain honourable purely and simply.

In the province of Quebec the people read history; they have some education. They remember that at the beginning of the last century Castlereagh was able to bribe a whole party, even a whole Parliament. But they know also that it was the cause of all the miseries, agitations, contentions, which have since desolated Ireland. Quebec will not be reduced to servitude as the Irish were under the corrupt agencies of Castlereagh. Quebec knows that liberties once lost are never recovered; that honour unsullied, fidelity never wavering, loyalty to political ideals, is, after all, the background of self-respect. To my hon. friend I say in all earnestness: Quebec is not for sale.

Mr E. W. NESBITT (North Oxford): Mr. Speaker, I will not pretend to follow my hon. friend nor to criticise his argument to any extent, for the simple reason, that the best part of his argument at least was a resumé of the Liberal regime from 1896 to 1911. As I happened to be a supporter of the Liberal Government at that time, it would look very inconsistent on my part, I am sure, to disagree with the hon. member for Maisonneuve and Gaspé (Mr. Lemieux). I quite agree with what he said regarding the progress of the country during that period. He criticised the Government, however for the price of sugar being kept at 21 cents per pound when sugar was selling in the United States at 11 cents per pound. I was never in favour of the appointment of the Board of Commerce, as any hon. member who has sat in the House with me perhaps, knows. But I will say for the board that when sugar was selling at 30 cents per pound in the United States, they kept the price down in Canada to 23½ cents per pound by the hundred pounds. I know very well that when sugar was selling at 30 cents per pound in Detroit, it was selling in our town at 23½ cents, and that was the case for some time. They promised, I understand, or it was so stated, that when the price of sugar declined, they would give the refiners in this country an opportunity to make good what they had lost during the time that the board had kept the refiners down to a losing price when the price of raws was 18½ to 21 cents, and they were selling to the public refined sugar at 23½ cents.

The hon. member also said that there was a lack of interest in this Parliament, and that the reason for that was, as has been stated so many times during this session, that Parliament had not the confidence of the country. In ordinary representative bodies such as municipal councils, where a municipal council is not criticised by the public, that is generally because it has the confidence of the people and the people are perfectly satisfied. I take it for granted that the same thing is true in proportion as the sphere of representation grows wider. Therefore, I imagine that the reason why there is not more interest in what is going on in Parliament is that the people of Canada are perfectly satisfied that Parliament will carry on the affairs of the country properly. I therefore cannot agree with my hon. friend in his contention in that regard.

My hon. friend cited some figures with regard to immigration and the settlement of land in the West. In a very short space of time by those figures he not only settled the West, but paid off the national debt. This reminds me of the story of the fellow who invented an eye wash which he was trying to sell at fifty cents a bottle. He sat down and calculated that in the United States there were 50,000,000 people and that at fifty cents a bottle he would have an estimated profit of $25,000,000, because the eye wash was costing him nothing but

the cost of the bottle. I am reminded of that story because the hon. member was going to fill up the West and pay off the national debt in a short time, according to the figures of the theorist who had compiled them.

I must congratulate the Minister of Finance (Sir Henry Drayton) upon the Budget that he has presented to the House. In the first place he has increased the sales' tax. I know, by certain letters that I received and by other letters, that a good deal of pressure was brought to bear upon the minister to impose what is called a turnover tax which would have gone down all the way to the retailer. He has refused to impose that tax, and he has confined the sales tax to the manufacturer, the wholesaler and the importer. I congratulate him upon that because I think he is wise in so acting. It would be a most expensive matter to collect a turnover tax from the retailer. There are so many retailers in the country who do not keep proper books that it would have been absolutely impossible to collect the tax and to trace it up properly.

I also congratulate the minister upon dropping the business profits tax. I would have preferred to see the business profits tax dropped at least a year ago, because that tax took away from the manufacturer the money that he should have put in reserve for a rainy day, for the very times that are on us now. Last winter, if the business people and manufacturers of the country had been allowed to retain the profits they made during the last three or four years, they could have continued to employ labour to a much greater extent than they were able to employ it, because they would have had a reserve upon which they could have worked. As it was, some of them had even to borrow money to pay the taxes to which they were exposed. Unfortunately, banks, like other institutions, have a limit to the amount they can lend to allow manufacturers to pile up goods with the prospect of selling them at some time in the future. Therefore that increased, to a large extent, unemployment this winter throughout the manufacturing sections of Canada.

I congratulate the minister also on not increasing the income tax. It was feared by a good many people that if the business profits tax was taken off the income tax would be increased. As a matter of fact, in my judgment, the minister did not lose anything by doing away with the business profits tax this year, because I doubt if there will be a very great profit in the ordinary manufacturing or commercial business this year. I think he will get a great deal more revenue from the income tax as it stands now than he would have got from the business profits tax. Therefore, he showed wisdom in doing away with the business profits tax and retaining the income tax. Many people find fault with the income tax on corporations. Not so much fault is found with the income tax on individuals; but on corporations the income tax is exacted before there is any distribution to the people who make up the corporation, that is, the shareholders. Afterwards, the shareholders also pay income tax. They are allowed, of course, the normal tax on dividends; at least, I presume they will be, as they were in the case of the business profits tax.

Our taxes have to be paid; we have to pay our way, no matter who has to pay the taxes, and again I congratulate the Minister of Finance on his wisdom in seeing, to the best of his ability, that we do pay our way. I think we should have done so during the war more than we did. That brings me to the question of the tariff.

I doubt if the whole people of any country would ever agree on the question of the tariff. There are so many different views expressed with regard to it. It is true that the Minister of Finance travelled from ocean to ocean getting the views of various classes of people on the tariff, but I doubt if he was very much wiser when he got through than when he started as to what would be best in the interests of the country, because every class of people that came before him, and almost every individual, had a different view as to what the tariff should be. It is true that a good many people expected a revision of the tariff. It is also true that a good many items in the present tariff might quite properly have been reduced. It is equally true that a moderate increase could have been made to a good many items without hurting materially the people who bought the goods. The Minister decided, however, that it was not wise owing to world trade conditions to make a general revision of the tariff this year, and I cannot help but think that he was right. If there was any one thing that popularized the late Laurier Government in this country, and gave honour to the Minister of Finance in that Government, the present member for Shelburne and Queen's (Mr. Fielding) it was the stability that he lent to the tariff during those fifteen years. The business world

knew where they were, and on account of that stability that the ex-Minister of Finance lent to the tariff, his name is honoured by the business men of this country to this day. I therefore think that until the Minister of Finance can better size up the trade situation of the world, it is wise to postpone a general revision of the tariff, and I am pleased that he has done so.

Speaking of the tariff itself, I said a moment ago that everybody has his own views as to what the tariff should be. Naturally the people who have protection on the goods they manufacture are pleased with that part of the tariff. The fellow that has to pay the increased cost is not so pleased; that is also natural. But we have to raise the money, and let me say right here that there is no customs tariff than can be put on that does not carry with it the protective principle. A tariff, no matter how low it is, has to carry the protective principle to that extent. Therefore, those of us who are in favour of a tariff, whether it be moderate or high, are in favour of protection to that extent. Personally, I am in favour of a moderate tariff. A man who is manufacturing goods, no matter of what kind, if he has a high tariff and is a little greedy, will take advantage of the tariff, and it gets him into a slovenly way of doing business; he does not get down to hard pan; he does not cut out the non-essentials and get down to the essentials, and do business as a first-class business man has to do in order to succeed. That is why I am opposed to a high tariff on any class of goods, but I am very much in favour of a moderate tariff and a reasonable protection.

Some people talk of a tariff for revenue only. I wonder if they really consider what that really means. So far as I can work it out, a tariff for revenue only means that the Minister of Finance would have a snap so far as the tariff is concerned. All he would have to do would be to sit down and see what the imports were for the year before, and then figure out how much revenue he wanted to raise; then, if the imports for the year before amounted to $1,000,000,000, let us say, and he wants to raise $200,000,000, he puts a tariff of 20 per cent on everything. That is a revenue tariff. Would the people of this country be satisfied with that kind of a tariff? Or would they prefer a tariff that exempts from its operation the things that are in daily use, the so-called necessaries of life? I know some very fine

business men in this country who are in favour of a so-called revenue tariff, that is, the same amount of tariff on everything, raw material and finished goods.

Speaking of reciprocity, I was in favour of reciprocity. I am pleased to say that I was one of the very few Liberals in Ontario that came back after the reciprocity campaign. I was strongly in favour of reciprocity, but to say that reciprocity was free trade is preposterous. That arrangement touched only very slightly the manufactures of this country. As a matter of fact, the goods that were mainly affected by reciprocity, such as foodstuffs and agricultural implements, have been made cheaper since 1911 than they would have been under the reciprocity agreement. I am just as strongly in favour of reciprocity to-day, because as I said a moment ago it hardly had a perceptible effect on the manufacturing industries of this country. I still give my hon. friend from Shelburne and Queen's very great credit for the effort he made at that time to make a satisfactory arrangement with the United States.

I should not like anyone in this House to run away with the idea that the American people are going to base their tariff in any shape or form upon sympathy with or goodwill for Canada. The Yankee is out for himself first, last, and all the time, and he is going to do whatever he thinks is in the best interests of his own country, no matter whether it hurts us or England, or any other country. From the financial standpoint he knows what he is doing most of the time, even if he is catering to politics to a certain extent, as some other countries do some of the time.

Now, listening to my hon. friend from Red Deer (Mr. Clark) one would almost think that England was a free trade country. It is most astonishing to me to hear the hon. gentleman advance the argument that England has a free trade policy. He said this afternoon, in support of his free trade argument, that the exports of Canada had fallen off in March by some $100,000,000. As a matter of fact, the exports of Canada did not fall in March in proportion to the decline that took place in England. Indeed, England was very much exercised over the decline in her exports in March; but it had nothing more to do with free trade and tariff than I have to do with the Government of China.

It is all nonsense to talk about England being a free trade country. The duty paid on imports into the United Kingdom in

1919 was £141,908.81. If you take that and take the population of England at 43,000,000, and the population of Canada at 9,000,000, you will find that, approximately, England paid $16.30 per capita, and Canada $18 per capita. So that England was not much more of a free trade country than Canada; but the worst of it is that England's large collections were on what we would call necessities; at least that is the case with some of her large collections. For instance, sugar refined and unrefined, paid £35,000,000, and tea, £17,000,000—I am speaking in round figures. We would call these articles necessities, and I imagine that they do in England. At any rate, I know that there is an awful lot said in the papers when they raise duty on these things.

Mr. CALDER: Will the hon. member please repeat the per capita figures which he gave I think there must be some mistake; they should be ten times what he stated.

Mr. NESBITT: Perhaps they are; I only worked it out in my mind. Perhaps it is $16.30 and $18.

Mr. CALDER: That is, no doubt, right.

Mr. NESBITT: Yes; I put the decimals in the wrong place. Now, I should like to say a word to the Minister of Finance, in regard to the income tax collections. I am not in favour of the system of income tax collections which he has put into force, because it is going to cause a great deal of bother and ill feeling, and in my judgment there will be too many unnecessary fines. It would have been much better to have collected the income tax as he did before, sending the tax sheets to those who should pay and giving them notice that they must have their return in by a certain date. If he did that, then I would be in perfect agreement with him if he fined those who did not pay any attention to the notice. No fine is levied, of course, for any error in addition, but if you make an error in any other respect you are subject to a fine, and it will cause a great deal of confusion if the present system is continued. I trust the minister will see his way clear to readjust matters in some way. Besides that, the papers are too technical at present for farmers. My office at home is continually making out reports for farmers. There is nothing in it for us, but we cannot very well object to making these returns for them because they do not really understand how to do it, and naturally they come to us for help. I say, the papers are too technical for farmers. I am not much of a mathematician, nor an accountant, but I certainly could devise a much simpler form for farmers to make their returns upon, and if my hon. friend the Minister of Finance cannot find anyone else to assist him in this respect, I will do so without charge.

Now, coming to the revenue. This, roughly speaking, is in the neighbourhood of $400,000,000; my hon. friend gives it at $372,600,000, but we will say $400,000,000. The Estimates already tabled, amount to over $582,000,000, and some $9,000,000 extra, altogether over $590,000,000, or nearly $600,000,000. Of course, a good portion of this is treated as loans to the railways. I know that it is no sinecure for the Minister of Finance to finance this country at the present time without criticism from anyone. Personally, I am not going to criticise him, but I will ask some of the other ministers to help him out a bit, because I do not see any other way in which he can make the finances balance than by economy, and I am certainly opposed, as he is, to any more borrowing. Last year income and expenditure did not balance. The Minister of Finance had left over from the year before some $101,000,000 and, as he stated frankly, he utilized that so that he wound up with a small surplus. .Nearly all, or at least a great many of the Estimates have passed, and in my judgment a great deal of this money can be saved without doing the country a bit of harm this year. I know that there is a great attack on the Government for expenditures all over the country. It is a mistake for members to want expenditures in their own sections merely because they desire improvements immediately. Our great public works, of course, will have to go on to a certain extent for the purpose of engaging the unemployed. But take the Department of Railways and Canals, and I am sorry the minister (Mr. Reid), is not here; he can easily save that $300,000, or whatever the vote was that was passed the other night for extending the Trent Valley Canal over to Georgian bay. With all deference to the hon. gentleman, I suggest that it is not worth half a dollar to transportation after it is built. Talk about carrying grain on it! Well, you might carry it in your pocket and sail in the boat. That money could be saved this year. The building of the Welland canal is, in my judgment, a different proposition alto-

11 p.m.

gether, because there you have a great transportation system. It is part of what will be one day the greatest transportation system in the world for carrying the grain of the West, both American and Canadian. However, I do not think it will be necessary to spend $5,000,000 because, unless the system is being built under contract, there ought to be a reduction in the cost of the work before next Fall, and there certainly ought to be a material reduction in the price of labour. You cannot tell me that the cost of living is not coming down. The other day our local paper interviewed the grocers of the town with respect to the price of various commodities, and I have here an excerpt from that paper giving the results of inquiry. If hon. gentlemen will kindly listen I will tell them what those prices are and they will see how much the cost of living has been reduced within the last year. I have not the same faith in the figures compiled and issued by the Department of Labour that other people seem to have, because I have seen those figures analysed, item by item, and they give a very false impression in my opinion about the cost of living—that is if one wishes to live reasonably and we must all live according to our means. These are the figures in question:

	A Year Ago	Now
Granulated sugar	$23.00	$11.25
Flour	7.50	5.00
Lard	35	.16
Shortening	.33	.14
Laundry Soaps	.12½	.08⅓
Corn syrup (2 lb. tins)	.35	.25
Rolled Oats	.07	.05
Best grade rice	.22	.11
Oleomargarine	.42	.30
Potatoes, per bag	7.50	.90
Pure Jams, 4 lb. tins	1.40	.83
Beans	.12	.07
Tapioca	.20	.09
Prunes	.25	.15
Eggs	.50	.29
Cornstarch	.12	.12

That will give an idea of the reduction in the cost of living in the town that I come from, and the prices there, so far as I know, are practically the same as they are in the cities throughout Ontario.

Mr. DECHENE: To what figure has butter been reduced in the hon. member's district.

Mr. NESBITT: It has been reduced from about sixty cents down to forty or thirty-five cents.

Mr. DECHENE: May I tell the hon. member that butter is selling in Montreal at twenty-six cents this week.

[Mr. Nesbitt.]

Mr. NESBITT: That is all right; it is a reduction. It hurts the fellow that is selling the butter a little, but still the price is coming down. I say that prices are coming down, and that the cost of building the Welland canal should also be lowered, unless the work is under contract at a certain price, because the cost of labour should be reduced.

Now I am going to speak for a moment about the railways. You cannot tell me that the loss on railway operation cannot be cut if the management of our railways take the bit in their teeth, as it were, and cut off the service where traffic does not warrant that service. Let the railway management call a conference of the heads of the various labour departments and tell them frankly that the wages under the McAdoo award, and as adopted by the Chicago Board, ought to be adjusted. By putting up a bold front and doing as every one of us would do in our own private business we could reduce the losses on these railways this year by $25,000,000 at the lowest calculation. We have to do it, and we have to save these moneys in the various departments. Why? Because the Minister of Finance will find that the revenue from Income Tax will not this year amount to anything like the sum that it did last year. As for the revenue from sales tax I could name firm after firm that are not selling to-day fifty per cent of what they were selling at this time last year. It will not be the fault of the Minister of Finance if the revenue falls off; it will be the fault of all of us, and we should back him up in trying to cut down any expenditure that could possibly be avoided during the coming year. The ministers too must recognize that fact.

I want to talk to the Minister of Immigration for a minute or two. There is nothing that we want more in this country, in my judgment, to build up Canada and help to pay the national debt than immigration. My hon. friend from Maisonneuve was talking about that a few minutes ago but only you cannot do it in the sleight of hand manner that he suggested. We want immigration but we want the right kind. At present we are not going about getting it in the right way. In the first place our agents in the Old Country are too glowing in their statements and our advertising is altogether too roseate. You bring a man out to this country who has, we will say, a thousand pounds, that is $5,000, and you make him believe that he can buy up the

north-west territories for that. Well he cannot. If he buys 160 acres of land, and it is anyway decent it will cost him $20 an acre—that will take $3,200. If he buys implements, and then a reasonable span of horses, and a cow, it will cost him another $1,000. There is $4,200 gone. And what kind of a shack will he be able to build with the balance? He could not build a structure very much better than a dog-house. All his money is gone, and there is no way of his getting a dollar back the first year. Therefore every man that comes to this country with a little money should be induced—no matter whether he is going to settle in the West or not—to work for somebody else for a year until he gets on his feet and learns the conditions. In the first place, the Interior Department should re-survey all the land in the West and select the areas on which a man can successfully conduct farming operations, and not allow some unfortunate immigrant to come into Canada and be immediately correlled by some land agent who will sell him a stretch of sandy soil where he cannot produce anything, or locate him in some section of the country where nothing ever grows. I think that in place of these immigrants being brought to the country, dumped down in Montreal, Quebec, Toronto, or whereever it may be, and allowed to wander off like lost sheep, the Immigration Department should have somebody they could absolutely depend on to take charge of these people the very moment they land, supervise their movements until they are on their feet, and see that they are not robbed of any little means they may have. It is a difficult thing for a man coming to a strange country, no matter how capable he may be, to become acclimatized, as it were, the moment he arrives, and to get to know the ways of the people. Unfortunately up in the West, as in Ontario, when the new arrival get to know the ways of the people he has no means left. I would not allow that. If a man is coming to Ontario to settle, I would very strongly advise him to put his money in the bank and work for a year going around to the threshing bees and the silo fillings in order to learn something about the ways of this county before he invests his money. I would strongly advise the Minister of Immigration to let his agents so instruct those men in the Old Country before they come here. We do not want artisans here.

Mr. CALDER: If my hon. friend will allow me, during three days last week some 8,000 people landed at Quebec from five ships. I wonder what sort of machine we should have and what the cost would be to take care of those people for a year.

Mr. NESBITT: I would not let them come in flocks of that size. That is because your immigration agents induce those people to come here by holding out to them glowing prospects. That is what they tell me, anyway, and I have discussed this matter with people who have come to this country and then cut their eye teeth and got a little wisdom, and every one of them will tell you the same thing. I would only allow people to come here in such numbers that you can take care of them. Where are those unfortunate 8,000 to-night? I bet a good many of them are sorry they ever came. Not that this country is not one of the best in the world—I believe it is the best country—but at the same time there is reason in all things, and we want only such a number of people to come here each year as we can assimilate by putting them on the land or into business. I have no objection to their going into business if they have the money and they are ready to lose it, because they will certainly lose it if they do go into business.

Now, Mr. Speaker, I have got all the evil thoughts out of my mind that I had accumulated for some time, and as I am busy on committees I thought I would take this opportunity of telling the Minister of Immigration what I thought his policy should be. I hope that that policy will be so improved that we will get only the sort of immigrants that we want. He knows —there is nobody wiser than he in this country—just what we want, he knows right well just how to handle those who come, and if he has not the means to handle them right, I am sure this House will vote him the means, for we want to handle our immigration as a man would manage his business. It is no use his sitting there smiling at me. He knows just as well as I do, a good deal better in fact, just how it should be done, and it ought to be done.

Referring to the Budget, I think the Minister of Finance (Sir Henry Drayton) did remarkably well last year, and if all his colleagues will help him as they should this year, although revenues are bound to fall, he will come out ahead next year. But he must have the assistance of every member of the Cabinet; he cannot do it all alone. The only way that I know of is for him to put the money in a safe

and stand over it with a gun. But I am quite sure the Cabinet will help him in every way, and I hope that the present stagnation of trade will be relieved by next September.

My hon. friend from Red Deer (Mr. Clark) commented this afternoon on what the Minister of Finance had said to the effect that we wanted big business, but that it was not necessarily paying business. He is quite right. My hon. friend from Red Deer took him up and said that business during war time in this country was a big and a paying business. Nobody denies that, for it was a remarkable time. You could buy anything and sell it for more than you gave generally speaking; but the reverse is the case to-day.

My hon. friend from Red Deer also said that Great Britain had doubled her trade in 1920. Well, more strength to her elbow. I have a very loyal feeling for old Great Britain and her business people. Sometimes we meet Englishmen who come out to this country and we wonder how in the world she has been the pioneer in trade, but when we meet others we begin to understand. I am glad that Great Britain doubled her trade in 1920, but she doubled it not on account of her free trade, but because she still has the greatest carrying power of any country in the world. She also did business, not with the United States her great competitor—but with the European countries where her money was at par and with her colonies. We increased our business with Great Britain nearly double what it was the year before. During the war and until after the armistice in 1918 Great Britain's exports had declined to almost nothing, and even if she did double her export trade in 1920 over that of 1919 she would not have done a very large business. But my argument is that it was not owing to her free trade that she did this business, but because she gave credit to European countries that had to have her goods and where the pound sterling was worth 100 cents on the dollar, as it were, and sometimes was even at a premium. There is where she tried to do business, and in that respect she was wise. The hon. member for Red Deer (Mr. Clark) said this afternoon that our unfavourable balance of trade in respect to the United States was largely owing to our borrowings in that country and to the investment of American capital in Canada. As a matter of fact, the figures with respect to the balance of trade as between Canada and the United States as given by the Finance Minister did not take into account our borrowings or the investments of American people in Canadian industries; they took into account simply the actual trade in goods. My honourable friend makes fun of the Minister of Finance for warning the ladies not to buy unnecessarily in the United States, but I think that his advice is good. I have no ill-feeling against the United States—none whatever. There are certain goods that we have to buy in that country. I personally am interested in one or two businesses which have to buy their raw material in the United States, for the simple reason that they cannot get it anywhere else, and it hurts very much when we have to pay that 15 per cent rate of exchange. I would advise, then, just as strongly as the Minister of Finance does, that we buy nothing that we can possibly avoid buying until our dollar is worth 100 cents in that country.

We have to have a tariff; what is the use of discussing free trade at this time? Even if it were a proper policy I do not see that we could derive any benefit from it. In speaking on the Budget in 1919, I think it was, I gave a list of farm implements required on a farm of 100 acres in Ontario including tools, machinery, harness, and all necessary equipment. I estimated the life of this equipment at ten years; if implements are properly taken care of they will last that long, some of them longer. The duty on this equipment spread over a period of ten years would be $28 a year, or less than one cent a bushel on the grain that the farmer would raise on that 100 acres. So that it is not the tariff that keeps the farmer from succeeding. During these last few years it has been chiefly the high cost of labour. Speaking of unemployment, the hon. member for Maisonneuve (Mr. Lemieux) pointed out that there was no unemployment between 1896 and 1911, under the Liberal regime. Thank heaven we did not have very much unemployment at that time, but conditions were different then. Governments are not responsible for these changes in the commercial life of the world; the war was responsible. Europe cannot buy from us, no matter how willing we are to sell, except on long-term credit, and we cannot afford to sell on long-term credit. Therefore there has been a very substantial fall in the prices of our grains, our cattle, horses, wool, sheep, everything we raise on the farm, practically speaking, even to eggs, and as my hon. friend over there said a minute ago, butter. The prices of these

articles have fallen because there is not the export demand for them that there would be if Europe could buy. But that is not in the slightest degree the fault of the tariff, so far as the sale of goods in Europe is concerned. As to the price of butter, we are again competing with Denmark, Belgium in England itself. New Zealand lately came into the market very strongly gainst us. Why, last winter New Zealand was exporting butter to Toronto, and so was Venezuela. So that the world, as soon as it hears of a higher market, brings the stuff into that market and we have to compete with the world—unfortunately for us, perhaps, in the effect upon the prices of our goods. But these things will, in my judgment, rectify themselves inside of another year. I do not think we should make up our minds that we are ruined.

I do think that those men who are unemployed in the country should be given an opportunity to work. I would not pay one dollar for the upkeep of any sound man who refuses to work. It is all nonsense to say that he cannot work at his trade. Perhaps he is like the fellow who is a good woodchopper in the summer and a great harvesthand in the winter, but who does not live up to either when the proper time comes. You need not tell me that these men who are unemployed and who have common intelligence cannot go out on the farm and earn fair pay if they are willing to work. On my farms I have frequently taken young fellows from the cities who never had been on a farm before, and inside a month they were as handy as any of the rest of the men on the farm. So that I speak from experience when I say that it is all nonsense to contend that these men, if they have the opportunity, cannot learn to work on the farm and do it inside a month, thus earning their living in place of being kept by the Government or by somebody else. Of course I am not speaking of disabled men who were at the war; the country owes them all it can possibly do for them. But I do say that the able-bodied man has just as much right to work as any of us have; I would give him the opportunity to work and if he did not take it I would not keep him any longer. I would like just once more to say that the Minister of Finance was very wise in postponing a general revision of the tariff for this year, on account of the unsettled condition of the trade of the world. He has shown excellent business capacity in the other taxes that he has imposed, and I hope we will get enough revenue to pay our way.

On motion of Mr. Davis the debate was adjourned.

LEAVE FOR MR. CRERAR TO ATTEND SENATE COMMITTEE

Sir HENRY DRAYTON (Minister of Finance) moved:

That a message be sent to the Senate to acquaint Their Honours that this House agrees to the request of the Senate to give leave to the Honourable Thomas Alexander Crerar, M.P., to attend and give evidence before the special committee of the Senate apointed to inquire into and report at this session upon the conditions which are responsible for the large portion of our export trade (more especially the products of the West) being routed via American instead of Canadian ports.

MR. DEPUTY SPEAKER: This motion, of course, requires unanimous consent as no notice has been given.

Mr. FIELDING: It is understood that the hon. member desires to be present.

Sir HENRY DRAYTON: I understand that this is entirely formal. The request has been granted. Personally I am sorry that I cannot give the assurance the hon. member desires to attend, but I understand that to be the fact.

Motion agreed to.

On the motion of Hon. Sir Henry Drayton the House adjourned at 11.50 p.m.

Thursday, May 12, 1921.

The House met at Three o'clock.

REPORTS

Sixth report of the select standing Committee on Miscellaneous Private Bills—Mr. Steele.

Seventh report of the select standing Committee on Railways, Canals and Telegraph Lines—Mr. Armstrong (Lambton).

QUESTIONS

(Questions answered orally are indicated by an asterisk).

CIVIL SERVICE AND RETURNED SOLDIERS

Mr. BOURASSA:

Why does the Government establish a difference, in the granting of a position, between the veterans who went over to Europe and those who were sent to Bermuda, by military authority, during the great war?

Hon. Mr. CALDER:

The Government is bound by the statute under which only members of the C.E.F. who have had active service overseas are entitled to the benefits of Section 39 of the Civil Service Act.

INCOME TAX

Mr. McMASTER:

1. What portion of the Income Tax received during the fiscal year ending March 31, 1919, was received in respect of taxes upon income for the calendar year 1917, or for the year of any corporation ending within said calendar year?

2. What amount was received in respect of taxes upon income for the calendar year 1918, or for the fiscal year of any corporation ending within that calendar year?

3. What was the total Income Tax revenue for the fiscal year ending March 31, 1920?

4. Of this sum, what amount was collected in respect of taxes upon income for the calendar year 1917, or for the fiscal year of any corporation ending within said calendar year (1917)?

5. What amount was collected in respect of taxes upon income for the calendar year 1918, or for the fiscal year of any corporation ending within that calendar year (1918)?

6. What amount was collected in respect of taxes upon income for the calendar year 1919 or for the fiscal year of any corporation ending within that calendar year (1919)?

Hon. Sir HENRY DRAYTON:

1. $9,350,209.72.

2. None. The date for mailing assessments covering income realized during 1918 was October 31, 1919, which date was several months after the close of the 1919 fiscal year.

3. $20,264,242.43.

4. $4,717,303.84 under Income War Tax Act, 1917.

5. $14,988,510.91 under Income War Tax Act, 1917.

6. Returns under Income War Tax Act, 1917, covering income realized during calendar year 1919 were due to be filed on May 31, 1920, or two months after the close of the 1920 fiscal year. At the request of a number of taxpayers who were anxious to obtain receipted assessments previous to March 15, 1920, assessments covering calendar year 1919, which amounted to $558,427.68 were levied and paid.

CENSUS APPOINTMENTS

Mr. MacNUTT:

1. By whom were the Census Commissioners appointed?

2. By whom are the Census Enumerators being appointed?

Right Hon. Sir GEORGE FOSTER:

1. The Minister of Trade and Commerce.

2. The Census Commissioners, subject to the approval of the Dominion Statistician.

Mr. W. D. STAPLES

Mr. PAPINEAU:

1. Is W. D. Staples a member of the Board of Grain Commissioners of Canada?

2. Has the same W. D. Staples been recently appointed one of the Commission of Inquiry to investigate the handling of the Grain Trade of Canada?

3. If so, has the appointment been made in accordance with Sec. 6 of the Canada Grain Act?

Right Hon. Sir GEORGE FOSTER.

The answer to the first question is, yes.

The answer to the second question is, yes.

The answer to the third question is that it is not thought that such an appointment contravenes the section mentioned.

IMAGINARY LETTERS—SPEAKER'S RULING

Mr. SPEAKER: In the course of debate during the sitting of May 10, the hon. member for Brome (Mr. McMaster) read a letter which he said was purely imaginary. The letter in question was addressed to Hon. F. B. McCurdy, Minister of Public Works, and signed by C. C. Ballantyne. A point or order was raised by the hon. member for Selkirk (Mr. Hay) as to whether it was competent to attach a member's name to an imaginary letter.

The situation was somewhat baffling and difficult to deal with at the moment, inasmuch as the question was without precedent so far as I have been able to ascertain, and, in view of the specific statement of the hon. member for Brome that the letter was purely imaginary, I did not at the time rule the proceeding out of order. Upon careful and mature reflection I am of opinion that if this incident is to stand, and a precedent thus established, a door would be opened for a grave abuse of the rules of the House and the general principles which govern debate.

There are several objections to this method of procedure. It is contrary to the rules to refer to an hon. member by name —and, in this connection, I desire to direct the attention of the House to the fact that there has been of late an increasing tendency to violate this most important rule.

Furthermore, the matter contained in a letter of this character, although said to be purely imaginary, cannot fail to convey a meaning and be capable of an interpretation which the hon. member affected cannot effectively deny, being precluded by the very nature of the letter; thus in effect an hon. member would be enabled by this indirect method to convey a meaning or impression which he would be precluded from doing by direct assertion.

There is still another very grave objection to this method, an objection which, to my mind, is sufficient in itself, namely, that the use of this method in argument will call for similar letters in reprisal, and

thus the door would be opened to a method of debate which it would require no effort of the imagination to realize would affect most injuriously decorum in debate and the dignity of the House.

It is therefore in my judgment of great importance that the incident in question should not be construed as a precedent, and in order the more effectively to carry out this intention, I have issued instructions that the letter in question be not printed in the revised edition of Hansard. In justice to the hon. member for Brome, I desire to make it clear that he was most explicit in his statement that the letter was not only purely imaginary, but that it was not to be construed as having any personal reference to any member of the House. In this connection I quote the hon. member's words:

> They are absolutely imaginary; there is no intention in my mind to assert for a moment that it is possible for the man, who is supposed to have written this imaginary letter to have really written it—I want that distinctly understood.

Indeed, I am happy to add that I have no doubt the hon. member for Brome had no ulterior motive in using the letter in question. This, however, in my judgment, only serves to strengthen the objection as to the danger inherent in such a course to which I have given expression.

Hon. Mr. MURPHY: May I inquire, Mr. Speaker, whether the ruling you have given might not in the future be regarded as a precedent that would be open to discussion if on another occasion something somewhat similar were to arise, not with reference to, say, an imaginary letter, but with reference to some other subject which might be the occasion of a ruling?

Mr. SPEAKER: I do not know that I quite apprehend the purport of the hon. member's question; perhaps he would put it in other words. What particular point has he in mind?

Hon. Mr. MURPHY: Well, I had not any particular point in mind at the moment, except this, Mr. Speaker. It seems to me that the ruling which your Honour gave is susceptible of such wide application that the occasion might arise when, without there being any such reason for the ruling as there may be in the present instance, another ruling might be given and matter deleted from Hansard without the opportunity of debate.

Mr. SPEAKER: The objection that the hon. member has in mind is so general in its terms that it hardly requires an additional ruling, if I may use the term, because the ruling which I have given would refer only to an incident similar in character to that with which it deals. Of course, it is open to the incumbent of the Chair from time to time to give his ruling as particular incidents may arise, subject always, of course, to its meeting with the approval of the House. If the hon. member has more particular reference to the circumstance of the Speaker ruling that a certain letter be deleted from the revised edition of Hansard, I may say that there are already precedents not only in the Canadian House of Commons but in the British House which give that authority to the Speaker.

PRIVILEGE—Mr. ROBB

Mr. J. A. ROBB (Châteauguay-Huntingdon): Mr. Speaker, I think this is the first time in twelve years' parliamentary experience that I have risen to a question of privilege. In debate yesterday, my hon. friend the Minister of Marine and Fisheries (Mr. Ballantyne), used this sentence as found in Hansard, page 3321:

> To use the words of the hon. member for Red Deer my hon. friends opposite from the province of Quebec are something like Admiral Nelson—they always put the glass to the blind eye. They fraternize one with the other and can see nothing but victory ahead for themselves—they can see nothing but the maintenance of this "Quebec bloc." One of the sheep has jumped over the walls of the pen and is wandering loose at the present time;

Mr. Speaker, as a member from Quebec I resent the implication of being called a sheep. The Minister of Marine and Fisheries, perhaps unintentionally, conveyed an insult to the members from the province of Quebec, which he himself may regret. I wish that he would withdraw the statement.

Mr. SPEAKER: The remark was not heard by me, but I am sure, from the nature of the remark as quoted by the hon. member for Chateauguay-Huntingdon (Mr. Robb), that the reference was purely by way of illustration and was not intended to be construed as any reflection upon any hon. member of this House.

Mr. LEMIEUX: Well, was it meant to be a black sheep, Mr. Speaker?

Mr. MICHAUD: Perhaps it was "entirely imaginary".

Mr. MURPHY: Probably it is the lamb of the member for Jacques-Cartier (Mr. Lafortune) grown up.

THE BUDGET

DEBATE CONTINUED ON THE ANNUAL STATEMENT PRESENTED BY THE MINISTER OF FINANCE

The House resumed from Wednesday, May 11, the debate on the motion of Hon. Sir Henry Drayton (Minister of Finance), that Mr. Speaker do now leave the Chair for the House to go into Committee of Ways and Means, and the proposed amendment thereto of Hon. W. S. Fielding.

Mr. F. L. DAVIS (Neepawa): Mr. Speaker, in rising to discuss the Budget I wish to assure the Finance Minister of my sympathy with his difficulties on this occasion and to express also a realization of the fact that these difficulties are not of his making, many of them having arisen under a finance minister's administration with which I was not at all in agreement.

A year of falling prices; of appalling railway deficits after equally appalling freight-rate increases; of large unemployment, destined to grow worse; of one hundred millions of deficits; of expenditure in excess of revenue, lies behind us. And ahead of us seems to lie a year wherein all these will be aggravated. Last year $432,000,000 was raised by way of taxation, but this, the largest taxation we have ever collected, has not availed to make things meet. The ensuing year cannot be expected to yield like revenues, but will call for similar expenditures. The minister places the figures which should be paid out of current revenues this year at $435,000,000, to which should be added about $155,000,000 of expenditure on railways and upon active investments, so that we shall have a deficit, apparently, of about that amount after applying the ten millions of cash which we have in hand.

For the relief of some whose appetite for tariff discussion is satiated, I will say here that I am not going to discuss the tariff at length. In postponing action the minister, perhaps, is displaying discretion, taking that word in both its good and its bad sense. A party of Liberals and Conservatives that has not been through the fire of an election might prove uncertain under such a strain. I found myself in sympathy last night with most of the remarks of my friend from North Oxford (Mr. Nesbitt). But, as he told us that England was not a free trade country, I thought he should discuss that matter with our friends from Frontenac (Mr. Edwards) and from Fort William (Mr. Manion) who seemed to hold other views upon that question. In the better sense of that word "discretion" I think the minister would have displayed more, had he framed and arranged classifications in the tariff schedule and knocked off even a few excrescences just to show the country that the commission had not been entirely a waste of time. After the remarks in the West of the Minister of Immigration and Colonization, (Mr. Calder), there was felt to be need for such a demonstration. Nevertheless, in the state of trade, in the condition of United States legislation on tariff questions, and in view of our own political condition, the postponement has much to justify it, not the least being that the prospect is that quite different persons and quite different ideas will shape our next Budget.

I also agree with the elimination of the business profits tax. The time was ripe for that, as business has generally been experiencing a cutting down, a wiping out of values, which would certainly have affected collections under that tax. But the Finance Minister imposes a sales' tax. I think this is no time to show too great friendliness or consideration for the big interests of this country, and I should like to make a suggestion with regard to the corporations' income tax. A corporation is treated under the fiction that it is a person, and after $2,000 exemption is allowed, 10½ per cent practically is levied upon its yield. We have in this country many one-man corporations and these men may have very large revenues from such corporations. Under Section 3, subsection 4, of the Income Tax Act, the minister, unless he is satisfied that there is a need for retaining these funds in the hands of the corporation, may force them out—at least that is the course that he has chosen to pursue—into the hands of the shareholders. But I would point out that with the business profits tax eliminated, the machinery is now defective for his doing that. That is, having before him the earnings of a corporation and the names of the shareholders, he may allot a tax upon the amount which they should have received, had the profits been divided. I believe the question has never been settled whether he has a right to make such an assessment upon funds which the shareholders have not received. Under the income tax as it stands now, firms and partnerships must pay the full amount of the income tax, whether it has been realized in cash or not. No account is taken of the needs of a firm or partnership to extend its business, and I cannot, therefore, see why account should be taken of the needs of a corporation to

extend its business and use its reserve in that way. I grant at once that the minister could hardly make exceptions among firms or partnerships, but he should line up the corporations with the firms and and the partnerships, and I want to point out to him a method whereby that may be done. We have a 10½ per cent tax upon a corporation as an income tax. Supposing that tax were levied as a minimum tax provided that the dividends of the corporation were distributed within three months of the end of the company year, and a further surtax were imposed upon the corporation if they did not so divide. The result would be certainly to force a distribution of the dividends, and the shears of the income tax would then catch these sums in the hands of the individual shareholders. Perhaps, even, it would be advisable to do this; still recognizing the corporation as an individual, to provide that no income tax shall be assessed if the dividends are distributed within a very limited time, but that a very heavy income tax shall be levied if the dividends are not distributed within that time. Then you will have these funds forced into the hands of the shareholders and thus brought under the income tax requirements. The objection may be raised that corporations need money to extend their businesses. The one-man corporation can meet that, because, having received the whole amount of the dividends, having paid his tax, he can put his money back into the corporation which is his property. If it is a company of the ordinary description, if its shares are above par, it may offer its shares at a discount or at par, thus making a right in the shares which would be of value. Or, if the shares are at or below par, it may offer preferred stock at advantage and these rights could be sold. Therefore, there will not be that difficulty, which has been one of the objections to the business profits tax, that money for further expansion will not be available.

With regard to our shipping, I think it is deplorable that we had not a Lord Inchcape in Canada to sell our ships at the end of the war. Hon. members know that Lord Inchcape practically took 200 vessels over from the British Government and himself disposed of them. If England, the greatest shipping country in the world, saw fit to do that, surely some one in our Government should have been alert to what was good policy for the very "mistress of the seas" and been apt and eager to follow that example.

I shall not now discuss our railways, because there will be a future occasion for that. I want, however, to point out that the railway situation perhaps affects our western provinces—and I believe in this case the charity begins at home—in a most acute form. We have to pay very heavy freight rates at any time to get our goods to the markets of the world, and we have to pay heavy rates to get goods into that country. As an example of what has taken place in the way of change in prices in the last year, let this illustrate. The farmer in the West—and this was in the week before this session began—was selling his steers at 30¾ per cent decrease, his cows at 30 per cent decrease, his stockers at 38 per cent decrease, his hogs at 23½ per cent decrease, and his sheep at 44 per cent decrease. He was selling his wheat then at 15½ per cent decrease, his oats at 48 per cent decrease, his barley at 42 per cent decrease, and his flax at 66 per cent decrease. The freight situation had much to do with these large decreases. But on the other hand the farmer had to pay more for everything that he was buying in the way of machinery and equipment. I have in my hand, a list which includes buggy, democrat, wagon gear, grain tanks, trucks, gang ploughs, breaking ploughs, hay rakes, mowers, binders, blacksmiths' forges, and certain gasoline engines; and the total of these at the 1920 price is $1,775.20. In the catalogue of the week ending February 12, 1921, the retail price is $2,154.10, an increase of 21.31 per cent. Compare that with the decreases which he is obliged to accept, and you will see that he is facing very grave difficulties; and I say that these difficulties bear more heavily upon him because of the freight situation; hence there is even more necessity for a re-scaling of rates and an improvement in our whole railway situation. I should in justice, perhaps, point out that in one line of articles, harness—and I am sure my hon. friend from Red Deer (Mr. Clark) will appreciate this, after telling us that he has had to sell hides at 1 cent a pound—the price is down a little from $193.25, to $169, a decrease of 12.39 per cent. With these figures before the House I think it can realize somewhat of the dissatisfaction that rests in the farmer's mind when he sees that he still has to pay large tariff taxation, as well as contributing in the measure he does to freight taxation. As an instance of how and where the freights come from in this country, it is general public knowledge that $33,000,000 was the surplus for all pur-

poses of the Canadian Pacific Railway last year. I want to tell the House, what perhaps it does not know, that of that surplus, $21,000,000 was produced upon western lines in the last four months of the year 1920; that is, practically two-thirds of the whole surplus was earned on the western lines of the Canadian Pacific in those four months.

A good deal has been said from time to time as to our grave adverse balance of trade with the United States. I would like to produce some comparative figures here to show that the situation is not nearly so grave as has been stated. In 1921 we exported to the United States $542,000,000 of goods, and we bought from them $856,000,000 of goods; that is, our imports were equal to 155 per cent of our exports. In the year 1920, they were 173 per cent; in 1919, 164 per cent. During the war conditions were disturbed so that it is not fair to make comparisons with those years. The figures were less for three years of the war, and then going back to 1915, our imports were twice our exports, and the same is true of 1914. They were 2.64 per cent in 1913, and in 1912 they were three-fold. To reduce to proper values of the present, for our money in 1921 as compared with our money in 1912 is practically at an appreciation of 100 per cent, you would have to divide the figures of 1921 to get a fair comparison; that is, in those terms, the exports would have been $271,000,000 as against $428,000,000. Now, in 1915 that $428,000,000 is the amount of our imports, and in that year our exports were only $215,000,000 of goods. Consequently, I think that the situation is really improving, and that there is not such a need for fear as to the situation as has been very widely expressed.

A matter which should, perhaps, give us more concern is the question of exchange. We are now paying a premium of around 12½ per cent upon American funds, and in our present situation this is really serious, especially when you take into consideration a matter to which I shall refer later on, that is the question of our loans. But this is to be remembered: that while a balance of trade against us would throw the rate of exchange against us, it would not account for the amount of that rate. What really accounts for the amount of the rate is the disparity between the purchasing power of our money and theirs. Compare wheat of the United States with that of Canada. Our wheat has been consistently quoted at a higher level than that of the United States. That is a commodity which is in world-wide demand, and until the Young Bill, which passed the United States Senate yesterday, began to affect the situation, it was in no way affected by governmental regulations. Now, the fact is that it takes about $9 of our money to buy what $8 will buy in the United States, and that is the real cause, and the basic fact, to take into account in connection with our exchange. We have to-day to compare the purchasing power parities of money to know what we are doing in any trade. It is no use any longer following mint parities. Indeed, even the exchange is a misleading guide, because, during the war, exchange was kept up by the governments and was above the purchasing power of the moneys of the several countries; to-day, because of the disturbance of conditions, it is below the purchasing power of the moneys. If any one cares to follow that question up, I would refer him to the May number of the Commerce Monthly, issued by the National Bank of Commerce of New York, where he will get a bird's-eye view of the whole situation.

In consequence of this, I have to criticise the minister's proposition to limit the exchange variation to 50 per cent. With regard to some countries that is justifiable, particularly with regard to Germany, and if it were pointed straight at Germany I would support it. But as regards France, for example, we have recently entered into a treaty with France to give her certain advantages. Now, by this arrangement of exchange, we reach behind their backs and take away those advantages. At present the French exchange is around 8.14 cents, but the purchasing power of French money is above that point, and that, after all, is what counts in the question of exchange. Indeed, keeping in mind the functions of exchange, when we adopt a policy of this sort, we are providing means which carry us only half way in the complete circle of trade. We take it from French goods into currency, but it has to go the rest of the way, from currency into Canadian consumption, before you have the transaction complete; and in that case we take account of the purchasing power of the money and no injustice is done to us. Where England imposes a duty of 33⅓ per cent in cases of this sort for the same purpose, the London Economist has this to say:

> The exchange section of the resolution is still more fatuous; insofar as it is effective it will inevitably retard the recovery of central Europe, on the need for which our rulers have so often and eloquently declaimed.

Our trade does not equal that of Great Britain with Europe, and so has not the pervading effect that such a restriction must have in English trade; but it has its effect, and it is a distinctly unfriendly act on our part to put upon the currencies of Europe such a limit. In dealing with this question, and in order that it may be understood, I propose to read some extracts from an address delivered by the Swedish economist, Cassel, delivered before the Brussels Financial Conference:

> The part of the currency which has been exported to foreign countries is in some cases very important. The actual circulation within Germany is, e.g., much lower than the total mass issue, the rest being held in foreign countries. This must be taken into account if we wish to have an idea of the active circulation within Germany. In some cases it is necessary to have regard to an increase or a decrease of geographical area within which the currency is used. In the case of Germany, e.g., the present active circulation should strictly be compared with the pre-war circulation within the present boundaries of the country.

Now, Germany has been forcing her marks upon foreign countries, and this has amounted to floating a demand loan. The consequence has been disastrous to her own trade. Let me quote from page 47 of the same report:

> As instances of such depressing tendencies we can quote: a distrust in the future of a monetary standard, leading to a discounting of an anticipated fall of the internal value of the money; operations of speculators, etc. By far the most important of these depressing factors is, however, the practice of selling out the currency of a country abroad. This practice has, during the last year, reached such proportions and become such a prominent factor in the international monetary situation that it is necessary to devote special attention to it.
>
> The whole operation can best be studied in the case of Germany. German marks have been sold out abroad on an enormous scale, and at almost any price they would fetch. As the central Government, local bodies, banks, and business enterprises were in absolute need of foreign means of payment, and these did not seem to be procurable in any other way, the country was driven to this selling out of its currency. The process must be looked upon as a substitute—a bad substitute indeed—for the more regular device of securing foreign loans. As lenders could not be found, Germany turned to a new class of investors, the speculators in currency, and offered them, instead of a high rate of interest, the inducement of an extraordinary low rate of exchange. Of course, the speculators suffered heavy losses as the exchange went down step by step. But new ranks of speculators were always ready to believe that "the bottom has been reached"; as a mantter of fact the last of them have made enormous profits. The selling out of marks is said to have been considerably increased by the endeavours to evade in this way an exorbitant taxation.

In considering the proposals of this year's Budget, there is one lamentable omission. This is the third Budget presented to the people of Canada since the war. In it, as in its two predecessors, there is no enunciation of general policy such as all circumstances demand. Parliament has, during this session, considered such proposals as the development of the St. Lawrence, involving an expenditure of half a billion dollars, as cheerfully as if in the last seven years we had not incurred a debt of two billions of dollars, changed our price levels more than commonly occurs in centuries of time, wasted a very large portion of our capital in waging war, and raised problems which cannot be settled by short views such as these last three Budgets have contained, but which must be met by some measure of vision and a policy having consistency and continuity for at least one generation.

Of our old obligations of nearly $300,000,000 about $25,000,000 falls due within the next four years, and of our new obligations of nearly two billions and a quarter, within the next four years, 25.7 per cent falls due. We have paid this year $25,000,000. Next year we have to pay $195,000,000; in 1923 the same sum; in 1924, $105,000,000, and in 1925, $43,000,000. That we may get this all before us, let us put it on record:

In 1926 we have to pay	$ 25,000,000
In 1927 we have to pay	66,000,000
In 1928 we have to pay	2,000,000
In 1929 we have to pay	60,000,000
In 1931 we have to pay	79,000,000
In 1933 we have to pay	483,000,000
In 1934 we have to pay	481,000,000
In 1935 we have to pay a little over	1,000,000
In 1937 we have to pay	345,000,000
In 1938 we have to pay	52,000,000
In 1945 we have to pay	65,000,000
In 1947 we have to pay nearly	5,000,000

To recapitulate:

Between 1921 and 1925 we must pay 25.7 per cent.

Between 1921 and 1931 we must pay 10.3 per cent.

Between 1932 and 1935 we must pay 43.3 per cent.

Between 1937 and 1938 we must pay 17.7 per cent.

Between 1945 and 1947 we must pay 3 per cent.

It is not within the contemplation of any one that we shall pay these debts as they come due, but large refunding operations must be carried through. It is wise, therefore, that we should keep these before us and prepare for them. We are in the third year away from the war, and no Budget has yet made reference to them. Let us look at some features of the situation. The United States is our greatest competitor, not only in trading but in obtaining increase in population. It is generally recognized by our statesmen that their conditions have a direct effect and

influence on our own. To obtain the growth in population we desire we must offer to our own people and to immigrants a similar standard of living, a comparatively decent rate of taxation, similar wages, and cost of doing business. At present I shall leave out of any such comparison the effects of a protection policy in which we collect about $20 per head in duties and they collect about $3, and endeavour to deal with other factors of the situation.

The United States floated its loans for about four and one-quarter per cent. We have had to pay rather more than five and one-half per cent. In the present and prospective dearth of capital, we shall do well indeed if we can refund our present indebtedness at the rate of 6 to 6½ per cent, being one-quarter to one-third higher than the United States is paying for funds for the same purpose. This is one of the great reasons why, at present, we should adopt the four recommendations made by the Brussels Conference—balance all recurrent expenditure with taxation; cut down all military expenditure; abandon all unproductive extraordinary expenditure; and restrict to the very minimum even productive extraordinary expenditure. The United States is the only prospective market for such refunding operations, and our money is at a discount of about twelve and a hallf per cent with theirs, so that if we borrow from them we must pay this difference upon the principal sums, and so long as we permit the difference in purchasing power parities of our and their currencies we must pay such premium upon the interest upon the sums borrowed.

Now let me quote from the New York Times financial edition:

As it is, leading financial experts believe that Canada will experience so much difficulty in taking care of the maturities prior to 1933 that there will be little if any opportunity for building for the future—

That is, making preparation for taking care of these maturities.

—and in those years, or just before them, Canada is likely to make another big entry into the New York market. During the past year or so Canadian securities have been going better in the American market than ever before. A very considerable amount of provincial and municipal bonds and other securities have been sold here and, in addition, nearly $85,000,000 in Canadian railway issues, representing properties which are to be merged into the Canadian National Railways, have been disposed of to American investors. The discount on Canadian funds in the exchange market has been a factor, allowing American investors an immediate discount of 9 per cent to 14 per cent on the purchase price with the chance that this will be entirely made up within the next few years and long before the maturity of these securities.

Now, that is a situation that we must face with regard to having our money on a disparity with theirs. If we borrow from them we must pay the difference, and so long as we suffer a difference in purchasing power on our money we must pay the difference in exchange upon United States interest.

I think it was the duty of the Government therefore, to lay this situation before Parliament and the country for its consideration, and to announce a policy and to devise ways and means for carrying out that policy. Under the circumstances, the obvious policy is first of all to put our currency on a par with United States currency as we are only about twelve and a half per cent from such par. And as experts hold that Great Britain which is twenty per cent from par. and France which is thirty-five per cent from par, are able to, and should, bring their currency to par, the conclusion is inescapable that for us it is more attainable and more essential. Were it not mentioned, it might be overlooked that we are already borrowing over $200,000,000 a year from the United States, authorities stating that last year we borrowed $214,000,000, and the rates have been above six per cent. Provincial governments, municipalities and business firms have all been forced to the United States market for needed funds, and where, as is the rule, they are made repayable in the United States, so long as we permit our moneys to remain at a discount, we pay about one-eighth more interest and are repaying one-eighth more principal to cancel the debt. Surely this means that our business is at a disadvantage with United States business and that the way to correct this is to bring our money to a parity. My own small town is paying $1,500 a year to make up the difference of exchange. They borrowed $100,000, from a firm in Toledo some years ago and there are some other maturities they have in the United States. and they are paying $1,500 a year in exchange. This means very nearly one dollar a head of its population and a material increase in its taxation. Hence, I conclude that the Government's first duty is to balance its expenditure with taxation and secure surpluses with which to bring our money to equality with the United States money. The effect will be to cheapen money throughout Canada, and materially reduce the cost of carrying our debt in the future.

But with this must be coupled the necessity for establishing sinking funds, and we cannot establish sinking funds while we continue to expend; as the Finance Minister says, during the past year he has expended $100,000,000 more than the taxation has yielded him. Neither would any sensible person demand the establishment of sinking funds forthwith; but surely a Government conscious of its obligations would take the country into its confidence and say when it thinks such sinking funds should and can be started. This may be seven to ten years ahead, but a government which has determined upon the establishment of sinking funds and set a date for their establishment and shaped its expenditure and taxation to carry out that operation within that time, will be able to borrow money on much better terms than a government which is proceeding as this present Government is without an expressed realization of the situation or any declared determination to effect these purposes. Such sinking funds could be begun in time to have a most material effect upon the refunding operations at our second period of maturities in the early thirties. Such a detailed policy no future Government would dare to depart from, and with such a policy Parliament and the country would have a corrective and a tonic principle for its future guidance, and that is one of the great lacks in our present fiscal policy. Retrenchment of our expenditure would necessarily follow upon such a policy and Parliament would relegate to the future any scheme for expenditure which would conflict with such a dominating policy and principle.

The peroration of the Finance Minister, although it contains words of faith and confidence, does not appeal particularly to me; but had a policy been announced—such as I have tried here to outline—then I would say that faith and confidence in the Government, and in the future of Canada, is to be entertained. Unless such a policy is established it cannot be entertained.

Hon. HUGH GUTHRIE (Minister of Militia): Mr. Speaker, in rising to address the House for a short time upon the motion now before the Chair, I feel that I should join with those who have preceded me in tendering to my hon. friend and colleague, the Minister of Finance, the congratulations to which he is entitled upon the splendid showing that he has been able to make in regard to the finances of this country, despite the fact that Canada has admittedly passed through the most distressing period in her history—a period not only distressing to Canada financially but distressing throughout the whole world. It is a splendid tribute to the ability and care of the Finance Minister that after such an experience he can come before Parliament at the close of the financial year and announce that he has been able to meet all the ordinary outlay in respect of government out of the ordinary revenue and at the same time bring down a statement which shows what we call a surplus, amounting to something over $69,000,000. He is able to say in addition that not only has he paid all the ordinary expenses out of ordinary revenue, but he has been able likewise to pay as he went along no less a sum in round figures than $36,000,000 of capital expenditure, and a further sum of war expenditure amounting to $20,000,000, both of which large sums he has paid out of that surplus and still there remains over the handsome amount, having regard to the times in which we live, of $12,428,000 to the credit of the country. That, I submit, Mr. Speaker, is a wonderful financial showing made under exceedingly difficult conditions. I have been in this House a number of years, and I know in years gone by—ten, fifteen or twenty years ago—it was considered a very great triumph on the part of the Finance Minister to announce a surplus at the end of the fiscal year. I am aware there is a difference of opinion as to whether the surpluses that for many years have been announced in this House can be considered as real or more or less imaginary, but I believe that from Confederation down to the present time it has always been considered a privilege for the Minister of Finance to announce a surplus at the end of the financial year's operations when his ordinary expenditure was less than his ordinary revenue, notwithstanding the fact that during the same year it had become necessary to increase the national debt. On the one hand, on the annual operations we had saved some money, while, on the other hand, by way of capital expenditure we had increased the net debt. But notwithstanding the increase in the net debt, it has always been the privilege of the Finance Minister to claim as surplus anything he has been able to lay aside on the year's operations as between ordinary revenue and ordinary expenditure.

The most outstanding fact at the present time, I think, is that during the past twelve months the Finance Minister has found it possible to declare a surplus under the conditions which have existed in this

country. I believe that for a good many years past, omitting the war years, annual surpluses have been rather the regular thing than the exception; while I think I am also within the mark when I say that during the past twenty years additions to the net debt of Canada have been the rule rather than the exception, even during those years when our largest surpluses were produced. I have a few figures on the subject culled from the public accounts, and I find that the hon. member for Shelburne and Queen's (Mr. Fielding) who for fifteen years was Finance Minister, namely, from 1896 to 1911, was able by good and careful management during many years of that period to come to Parliament and announce a surplus. But I find that during those fifteen years my hon. friend as Finance Minister could only in four years of the fifteen say to Parliament, "I have made no additions to the net debt of Canada." During eleven of those fifteen years out net debt was considerably increased, while, in many of those same years surpluses were announced and cheered in the House and congratulations were tendered to my hon. friend. But I find that the net result of those fifteen years was that notwithstanding the surpluses the national debt was not reduced but as a matter of fact was increased to the tune of about $82,000,000.

Now, Mr. Speaker, my object in going into this matter as I have done at this moment is to lay a foundation for the course which I intend to pursue during the rest of my remarks. I do not know that I should have ventured upon the Budget discussion at all were it not that my hon. friend from Shelburne and Queen's—who appeared this week in the role of the chief financial critic of the official Opposition and delivered a speech in reply to the speech of my hon. friend the Finance Minister in presenting his Budget—at the very opening of his remarks extended to me something like an invitation, or perhaps I might term it a challenge, by direct reference to certain recommendations which were made at the International Financial Conference last September at the city of Brussels, particularly to those in regard to naval and military expenditures, and which conference I attended as a representative of Canada. My hon. friend the ex-Finance Minister quoted from those recommendations, and his quotation will be found at page 3251 of unrevised Hansard in these words:

> The President: The third part of the resolution says: It is imperative that every Government should, as the first social and financial reform, take the following steps:
>
> (a) Restrict its ordinary re-current expenditure, including the service of its debt, to such an amount as can be covered by its ordinary revenue.
>
> (b) Rigidly reduce all expenditures in armaments in so far as such reduction is compatible with the preservation of national security.
>
> (c) Abandon all unproductive extraordinary expenditure.
>
> (d) Restrict even productive extraordinary expenditure to the lowest possible amount.

Such was the language of one of the resolutions passed by the Brussels Conference. In regard to it my hon. friend commented as follows:

> This resolution was carried unanimuosly, and approved by the Government of Canada through the Minister of Militia who, as I have said, was present. I deeply regret to say that though the Government of Canada supported that excellent proposal at Brussels, they do not seem to be willing to support it at Ottawa.

I maintain, Mr. Speaker, that in every particular the Government of Canada has lived up to the Brussels recommendations. I do not need to dwell upon paragraphs (a), (b) or (c), but I do intend to dwell upon paragraph (d), the recommendation of which was in the following language:

> Rigidly reduce all expenditures in armaments in so far as the reduction is compatible with the preservation of national security.

I do so more particularly, Mr. Speaker, because I find that not only in the House of Commons but also on the part of the press of the country there exists what I believe to be a thoroughly uninformed, thoroughly misinformed, thoroughly ignorant condition of the public mind in regard to the militia, naval and air expenditure of Canada. My desire, in the statement which I make to the House to-day, is to give the House and, if possible, the country, if my remarks reach so far, an accurate statement of the situation, and let the House and the people judge of it for itself or for themselves.

I know there is a vast amount of misinformation on this subject. I know it from statements made in this House from day to day. During the course of the present debate two hon. members opposite have challenged the militia expenditure of this country at the sum of $20,000,000. Pretty high, I assure you—but seven or eight millions over the mark; an increase of 70 or 80 per cent over the actual expenditure. I have seen it stated in the newspapers throughout Canada that the military expenditure of the country has reached $30,000,000. I have heard criticisms in this House from my friends of the Agrarian group which had no foundation whatever in fact, and I am sure that if hon. members sitting in the Agrarian

group knew the facts they would not make the statements that they have made. I have had requests from labour bodies throughout Canada, from deputations, asking me to state particularly what the expenditure was and to what it applied. I am able to-day, I think, to give the House fairly full information upon that subject. But I am going to say this—and I am sorry that my hon. friend from Shelburne and Queen's (Mr. Fielding) is not present: had my hon. friend carefully perused the report of the Brussels Conference, which he had before him, he would have found in volume 4 of that report most abundant refutation of every criticism he made, and most complete justification of the position of Canada and of the Government of Canada in connection with the recommendations of the Brussels Conference.

Now, I do not care what viewpoint the House may adopt in examining the military expenditure; I do not care through which avenue they may approach it. I make this challenge: that viewing it from any angle you like, approaching it from any avenue of criticism you like, the position of Canada in regard to military expenditure is unassailable. It is superior to that of any other country in the civilized world to-day, and is so immeasurably superior that one can hardly make comparisons. I go further; I would say to my hon. friend from Shelburne and Queen's, were he here, that Canada of all the nations who attended the Brussels conference is perhaps the one nation which has sought successfully to carry out the recommendations of that conference. I propose to prove this by our own accounts, by our own Estimates, and by the figures of the Brussels conference which my hon. friend from Shelburne and Queen's had before him when he spoke.

Ever since Confederation we have had military expenditure in Canada. I could take you year by year from Confederation to the present, but there would not be much advantage in going back to that early period. If we merely make a comparison of the figures as between to-day and ten, fifteen or twenty years ago, we shall not gain very much valuable knowledge from the mere comparison of figures unless we start out with something like equality of conditions. In making any comparison as between to-day and ten, fifteen or twenty years ago, we must always bear in mind, first, the purchasing power of our money as between now and then; second, the wealth of our country; third, the population of our country, and fourth, the necessity of guarding or securing the wealth of the country—what it was then and what it is to-day. These conditions, I say, must be present in the mind if we are to make any useful comparison for the purpose of finding out whether our proposals of to-day are to be deemed extravagant or thoroughly economical.

The most important condition to observe in this connection is the comparison so far as the money value of goods is concerned. What I state now I stated during the debate on the military Estimates: namely, that it takes just two dollars to-day to procure for the militia what it took one dollar to procure in pre-war years. In saying this I am sure that I am well within the mark. We have to buy a great deal of clothing; clothing has advanced more than 100 per cent. We have to buy a great deal of food for the Permanent Force and for our militia in the camps; food has advanced more than 100 per cent. The pay of our men in the militia has advanced from 50 or 60 cents, as it was in pre-war days, to $1.25, the minimum to-day. The pay of our Permanent Force has advanced from 80 to 90 cents in pre-war days to $1.70, the minimum to-day. Our railway transport has advanced, not 100 per cent, but almost that, I am told. I am therefore, well within the mark when I say that prices as between pre-war days and to-day have advanced 100 per cent for all the requirements of the militia of Canada. Now, what does it mean? It means that the vote which we ask from Parliament to-day to carry on the militia of Canada, about $11,800,000 odd, would represent in pre-war days a vote of about $5,900,000 odd. Now, is that not stating the matter fairly? Bearing that in mind; having regard to the purchasing power of our dollar to-day compared with what it was before the war, we are brought back to the basis of the military expenditure of this country in the year 1905, which amounted to $5,678,000. To say that we have merely gone back to pre-war expenditures is stating less than half the fact. We are back to the basis of 1905. I have a tabulation of our expenditure in pre-war years. I have included in that statement only the ten years prior to the war and excluded the year 1914, as during that year, after the month of August, our expenditure was a war expenditure. But beginning with the year 1904 and ending with the year 1913, both inclusive, I can make a comparison, and I propose to make it as a record on Hansard. May I ask, Mr. Speaker, that in giving these tabulations, which involve a great many figures, I be permitted merely

to comment on them and to give the general result, and that the complete statement be placed on the pages of Hansard?

Mr. DEPUTY SPEAKER: A list of figures which has not been actually read in the House can only be inserted in Hansard by unanimous consent. I feel sure, however, that under the circumstances that consent will be given. Is it the unanimous consent of the House that the figures referred to by the hon. minister be inserted in Hansard without being read in their entirety? Carried.

Mr. GUTHRIE: I thank the House for the permission which it has given me. My object, of course, is to have the record on Hansard so that it will be available to hon. members of the House and to those out of the House who desire to consult it:

COMPARISON for 10 years, 1904–1913, of consolidated Revenue Receipts and Expenditure on Militia and Defence.

—	Consolidated Fund Receipts	Expenditure Militia and Defence		Percentage of Total.
	$	$		
1904	70,669,816	3,977,735		About 5½ per cent
1905	71,182,772	5,678,625		" 8 "
1906	80,139,360	4,335,988		" 5½ "
1907	67,969,328	5,868,551		" 8½ "
1908	96,054,505	6,749,275		" 7 "
1909	85,093,404	6,109,600		" 7½ "
1910	101,503,710	7,026,245		" 7 "
1911	117,780,409	Naval { 8,044,970 / 1,790,017 }	$ 9,834.87	" 9½ "
1912	136,108,211	Naval { 9,376,115 / 1,233,456 }	10,609,571	" 8 "
1913	168,669,903	Naval { 11,278,850 / 1,085,660 }	12,363,540	
		Average for 10 years.....		" 7½ "

It will be observed that in the year 1904 the consolidated revenue of this country was, in round figures, $70,000,000 and that the militia expenditure alone was $3,900,000; in other words, that we spent just about five and one-half per cent of our total revenue on militia. In 1905 the revenue rose to $71,000,000 odd and the expenditure on militia to $5,678,000 odd, about eight per cent of our total revenue being spent on militia. I will not read amounts for all the intervening years. I come down to the year 1910 when our revenue had risen to the sum of $101,000,000 odd and our militia expenditure to $7,026,000, or just about 7 per cent of our total revenue. The year 1911 was an important year because in that year we branched out upon a policy of naval expenditure. In 1910, our naval expenditure was only in its beginning; it was a mere nothing. In 1911, we had a revenue of $117,000,000; we spent on our militia $8,000,000 odd, and our naval expenditure for that year amounted to $1,790,000 odd making an expenditure on defence, both military and naval for that year a total of $9,834,000 or about 9½ per cent of our total revenue. It may be said—it is sometimes said: "Oh, we could spend that amount in that year because we had a large surplus." I admit that there was a surplus of ordinary revenue over ordinary expenditure in 1911 but nothing like the surplus which the Minister of Finance (Sir Henry Drayton) can announce to-day upon the same account. In the year 1911, while there was a surplus of about thirty million, there was also a substantial increase in the public debt. I notice that the hon. member for Maisonneuve (Mr. Lemieux) last night announced in his speech that the surplus in 1911 was $37,000,000. According to the public accounts, I make the surplus only $30,000,000, but, perhaps, the statement of my hon. friend is a misprint or a clerical error. Certainly there was a substantial surplus, and there was also a substantial increase in the public debt. But I take the ten years which are set out year by year on the statement which I asked to be printed on Hansard, and I find that the average expenditure for military purposes from 1904 to 1910 represented roughly about 7½ per cent of our total revenue for this period. In 1911, we launched into a naval expenditure for the first time, and if we add the military and naval expenditures together, we find that in 1911 we then expended about 9½ per cent of our whole revenue for military and naval purposes. In other words, while the hon. member for Shelburne and Queen's (Mr. Fielding) was Minister of Finance, he spent annually for military and naval purposes on an average 7½ per cent of the

total revenue of this country. What is the proportion to-day? It is less than 3½ per cent of the revenue of this country, and we live in a time of unsettlement and of unrest when there is some real need for watchfulness and for security, whereas my hon. friend's expenditure for those purposes was during those fifteen years of prosperity, those fifteen golden years of peace and harmony as he has described them, when not a cloud blotted the horizon and not a disturbance took place within our own borders. Yet my hon. friend found it proper and necessary—and in doing so he was supported in the Government of that day by four or five hon. members who now sit opposite to me in this House—in ten years to make an average expenditure, for military and naval purposes of 7½ per cent of his whole revenue and that in times of absolute peace, without a cloud in the sky, without a danger or an anxiety; and to-day we spend only 3½ per cent of our revenue for the same purpose, during this period of unrest and unsettlement.

I am going to make a second comparison from another point of view. I am going to make a comparison on a per capita basis, in order to let the House see what all our defence expenditure is costing us. I use the term "defence expenditure," which includes all our military expenditure, all our naval expenditure, all the Canadian Air Force expenditure, because the term "defence expenditure" is the term adopted at the Brussels Conference to include all similar expenditure and it applies to each nation which filed its report at that conference.

Mr. McKENZIE KING: What about the Mounted Police?

Mr. GUTHRIE: I exclude in all my calculations the North West Mounted Police. In all my calculations and statements for the last ten years under Liberal regime, I excluded the Mounted Police. Had I included them, the proportion would have been considerably higher. I have likewise excluded the Mounted Police in my second calculation, for the reason that the Mounted Police Force has been maintained in this country from its inception to the present time as a non-military force, as a police force. The provinces maintain police forces; so do the municipalities, and we do not look on them, we have never treated nor considered them, as a military force in any sense of the term. The Mounted Police Force is not in any way under military control; it is not under the Department of Militia and Defence. What have I included for the purpose of my statement? I have taken the whole proposed militia expenditure as shown at page 31 of the Estimates, $11,890,000. I will generalize on this statement in the same way as before and ask that I be permitted to place it on Hansard.

STATEMENT showing Expenditure on Defence by the Principal Countries of the World for which Figures are Available.

——	Population	Military	Naval	Air.	Total.	Per Capita.
		$	$	$	$	$
Canada (*see* footnote *)..	(*a*) 9,000,000	11,890,000	2,500,000	825,000	15,215,000	1·69
Australia.....	5,000,000	13,874,998	14,062,500	2,700,000	30,637,498	6·13
New Zealand.....	1,200,000	2,876,638	1,688,499	.....	4,565,137	3·80
Union of South Africa....	1,276,242	(Whites only)	.....	.....	7,089,619	5·55
United Kingdom.....	40,000,000	477,000,000	371,155,500	85,650,300	933,805,800	23·35
United States.....	105,000,000	(*b*) 639,275,503	644,515,731	95,000,000	1,378,791,234	13·13
Argentine Republic.....	8,279,159	13,500,000	9,020,749	.....	22,520,749	2·72
Brazil.....	27,000,000	36,846,864	17,081,963	.....	53,928,827	2·00
Chile.....	3,945,538	14,225,000	(*a*) 6,000,000	.....	20,225,000	5·06
Denmark.....	2,921,000	21,250,000	8,250,000	12,500	29,512,500	10·10
Holland.....	6,778,699	16,210,228	17,000,000	.....	33,210,228	4·08
Japan.....	57,070,936	.....	.....	.....	272,141,500	4·77
Norway.....	2,632,010	8,730,000	3,803,975	.....	12,535,975	4·76
Portugal.....	5,957,985	44,228,346	12,803,803	.....	57,032,149	9·58
Spain.....	20,719,598	(*c*) 29,841,916	(*d*) 20,541,564	.....	50,583,480	2·43
Sweden.....	5,813,850	(*e*) 67,428,914	(*f*) 14,095,930	.....	81,524,844	14·03
Switzerland.....	3,937,000	8,689,450	Nil.	.....	8,689,450	2·20

(*a*) Estimated. (*b*) Exclusive of expenditure by individual States on State Militias (National Guard).
(*c*) Exclusive of $18,852,556 budgetted for military activities in Morocco.
(*d*) Includes one-sixth of a building programme of $50,000,000 to be spread over six years.
(*e*) Includes Special Expenditure for Defence amounting to $33,923,739.
(*f*) Includes Special Expenditure for Defence amounting to $5,534,030.
Normal figures for France are not available.

The average expenditure, per capita, for the above-named countries, *exclusive of Canada*, works out at $6.98.

*Estimating population at 8,500,000 expenditure per capita equals $1.79.
" " 8,000,000 " " " $1.89.

This statement covers so many figures that I would only weary the House by reading them all. I have included the whole item of militia expenditure. I do not deduct from the militia expenditure, and I might well deduct from it $350,000 for the Royal Military College, an educational institution for a civilian education to a much greater extent than for a military education. I do not deduct from the amount, and I might well deduct from it $450,000 for physical training of our high school cadets. I do not deduct from the amount, and I might well deduct from it $45,000 for topographic survey, which is thoroughly civilian in character, because all the departments and many municipalities get our maps and very few of our military officers use them. These three items aggregate about $840,000. Then I take the whole of the cost of Naval Service appropriation, $2,500,000, as shown on page 48 of the Estimates, and the whole of the Canadian Air Force appropriation as shown on page 61 of the Estimates, $825,000. I do not take the Civil Aviation appropriation, because that is purely civil. Therefore, the total amount for defence purposes which this Government proposes to expend is $15,215,000. What is our population?—because I am going to put this proposed expenditure to a per capita test. What is it fair to place our population at? The Minister of Finance, in his Budget speech, took it at 9,000,000 persons. We will take it at that figure first; and at 9,000,000 persons, the result is that the total proposed expenditure for all defence purposes in this country is the comparatively insignificant sum of $1.69 per capita. If it be thought that 9,000,000 is too high a figure to place upon our population—and we will not know the census returns until after June—cut it down; take it at 8,500,000 people. That would make the per capita expenditure $1.79. It may be that also is too high. Take it then, at 8,000,000 people, and surely we are justified in that assumption. The per capita expenditure then, for the whole defence of Canada, military, naval and air, would be only $1.89, an insignificant amount surely. But if some one insists that we should add to that the Mounted Police expenditure, add $3,500,000 for the Mounted Police, or 45 cents per capita. I object to the Mounted Police expenditure being added as "military" expenditure; but if we are warranted in adding it, do so, and we shall still have a smaller per capita expenditure than any other country in the civilized world. How are we going to establish whether we are spending too much or too little on the defence of our country? Would it be fair to look around and see what other countries are doing; would it be fair to look around and see what the other British dominions are doing? That might be a fair comparison to make, and if we make it, what do we find? The figures contained in the statement which I have placed on Hansard have been compiled from records in the Militia Department by very expert officers, from information which comes through the Intelligence Branch of the department, and I think the figures are both reliable and up to date.

For comparison I go first to Australia. The estimate of population in Australia today is 5,000,000. Expenditure for militia $13,800,000 odd, just about $2,000,000 above us; naval expenditure is $14,000,000, about $11,500,000 above us; air force in Australia, $2,700,000, as against $825,000 for Canada; or a total defence expenditure in Australia of $30,637,000, equal to $6.13 per head of population, as against only $1.69 per head in the Dominion of Canada.

Now let us take New Zealand. New Zealand has a population estimated at 1,200,000. Military expenditure stands at $2,876,000; naval expenditure, $1,688,000; no air force; total for defence $4,565,000, equal to $3.80 per head in little New Zealand as compared with only $1.69 per head in the great Dominion of Canada.

Next let us compare the expenditure in the Union of South Africa. The only estimate of population given for South Africa contains a note, that it represents the whites only. It does not take into account the tremendous native African population. The white population is estimated at 1,276,242. The figures show no naval expenditure; no air expenditure; military expenditure $7,089,000, equal to $5.55 per head of white population as compared with only $1.69 per head in Canada. These are our three great sister Dominions, and Canada in comparison with them occupies a wonderfully satisfactory position, in regard to military and naval expenditure.

If you take the per capita basis as a fair basis of comparison—I do not think it is, in every respect, because when I read down the list I find that other countries, Brazil, for instance, with a tremendous native South American Indian population, have a very low per capita charge, but I am going to give these figures, in the first instance upon this basis.

In the United Kingdom the figures are somewhat alarming. The United Kingdom has an estimated population of 40,000,000. Military expenditure calls for $447,000,000; naval expenditure $371,000,000; air expenditure $85,000,000, or a total of $933,000,000, odd, equal to $23.35 per head of population.

Mr. LEMIEUX: I do not question the figures given by my hon. friend, but there is justification for the figures in the case of South Africa; I know whereof I speak. There is a constant danger there of a native revolt.

Mr. GUTHRIE: I would rather not be interrupted now. If my hon. friend will let me finish, he can then make his statement. There may be special reasons which can be urged in every country in the world, but there is this to be said: no matter how you view it, Canada has still the lowest expenditure in the world.

I have given the figures for the British Dominions and the Mother Land, save India. I have not got the figures for India upon a per capita basis, because I have nothing reliable in regard to her population. I have the expenditure of India upon another basis, in another statement which I propose to submit.

Coming back to North America, I may say that there are no Mexican figures available that are of any value. Nor have I included in the statements the small Central American states around the canal zone, because I have not been able to obtain information which is reliable as to them; I do not think there is any regular military or naval organization at all in some of these small states. I come now to the United States. The United States has a tremendous programme for the immediate future. The estimate of population is placed at 105,000,000. The proposed expenditure by the Federal Government on its army is $639,250,000; navy, $644,250,000; air force, $95,000,000—$10,000,000 more than Great Britain. The total expenditure is $1,378,000,000, equal to $13.13 per head of population, and this huge sum excludes the tremendous expenditure that is made in the United States by the various states themselves for the maintenance of what they call the State National Guards. Exclusive of state expenditure the per capita charge is $13.13 per head in the neighbouring republic as compared with $1.69 per head in the Dominion of Canada.

Next let us turn to South America. The Argentine is a great republic. Its population is estimated at 8,279,000 odd; army expenditure stands at $13,500,000; naval, $9,000,000; it has no air force. Total expenditure, $22,500,000 odd or $2.72 per head of population, or $1.03 per head more than Canada. Brazil's per capita expenditure is reduced very much by reason of her large native population. She claims a population of 27,000,000; military expenditure calls for $36,846,000; naval expenditure, $17,000,000; no air expenditure. Total expenditure for defence nearly $60,000,000, yet on the per capita basis it is only a little over $2.

Chile comes next with a population of 3,900,000; army expenditure, $14,000,000 odd; navy, $6,000,000; or a per capita expenditure of $5.06. These are the only South American countries for which I have statistics. Several other South American republics submitted their returns to the Brussels Conference and these are printed in the report, but these returns do not give the military and naval expenditures of many of the South American countries. Let us next go over to Europe. Denmark with a population of 2,900,000 spends on its navy, $8,000,000; army, $21,250,000. It has just started an air force with an expenditure of $12,500; its per capita expenditure is $10.10.

Holland, with a population of 6,778,000, spends $16,000,000 odd on its army, $17,000,000 on its navy and air force—the figures are not separated—or about $4.88 per head of population.

Norway, with a population of 2,632,000, spends on its army and navy about $12,000,000, or $4.76 per head of population.

Portugal, with a population of 5,900,000, spent $44,000,000 on its army, and $12,000,000 on its navy, or a per capita expenditure of $9.58.

Mr. MACKENZIE KING: For what year are these figures?

Mr. GUTHRIE: For last year.

Mr. LEMIEUX: There is a revolution in Portugal practically every month.

Mr. GUTHRIE: I fancy that accounts for their heavy expenditure. Spain claims a population of 20,719,000. It spent $29,000,000 on its army, and $20,500,000 on its navy; no air expenditure. By reason of its large population its per capita expenditure is only $2.43 while its

total expenditure for defence runs over $50,000,000.

Sweden, with a population of 5,800,000, has an expenditure of $67,000,000 odd on its army, and $14,000,000 on its navy, or a per capita expenditure of $14.03.

Switzerland, with a population of 3,937,000, spent on its army, $8,600,000 odd; no naval expenditure—it has no navy—and no air expenditure. Its per capita expenditure is $2.20. This per capita statement does not give the figures for other European countries.

The reason for that is apparent I think. The other countries, or most of them, are hardly yet reduced to what one might call a peace basis. Reliable figures were not furnished at the conference from Germany, from Hungary, from Poland, from Finland, from Greece, from Lithuania, or any of the other central European countries, and Russia was not represented at all. But I have given the House now a statement on a per capita basis, of all European countries which are more or less restored to a peace basis; and taking that whole list of countries in Europe, as well as those of North America, South America, the British dominions and the Mother Land, Canada is so far below the per capita expenditure of any other country, in the world as to make the other countries, by comparison, look extremely extravagant in regard to military and naval expenditures. I realize, Mr. Speaker, that the per capita test is not always the safest or fairest test. It is not in the case of Brazil, nor would it be in the case of India. I do not know that I should like to adopt it as the only test in regard to the Dominion of Canada; but so well am I borne out in my contention by the actual figures that I am prepared to adopt any test which the House may ask me to apply, and still Canada's position will be pre-eminent. Now, the test which I adopted as applicable to the regime of my hon. friend from Shelburne and Queen's (Mr. Fielding), when he was Minister of Finance, was to ascertain the proportion paid for military expenditures, having regard to the total revenue of the country from year to year. The ordinary annual revenue of a country forms a fair indication of the wealth of a country, although I admit it is not in any sense a conclusive test. However, it is some indication of a country's position and not a bad test to apply when you are making comparisons in matters of national expenditure. When you settle your military programme, you have regard to the number of people in the country and their condition; you have regard to the wealth of the community, to the actual and potential wealth of the country, and, as well, to all other matters which should influence the decision of a government in establishing a military or defensive system in any country and providing the money therefor. Consequently, I take the annual revenue as a reasonable basis and apply the test, and applying such a test I find that last year the ordinary revenues in this country, as announced in the House last week, were $432,000,000. I then take the Estimates of this session and find that the expenditure proposed for this year for military, naval and air purposes is $15,215,000, or just 3.5 per cent of the revenue. In other words, out of every $100 which will come into the treasury in ordinary revenue this year, based on last year's figures, we shall spend $3.50 for the whole defence of the country, while in the year 1911, when my hon. friend from Shelburne and Queen's presided over the treasury of the country, of every $100 that came into the treasury $9.50 was spent for defensive purposes. What troubled my hon. friend in his criticism of military expenditure was lack of information; what troubled him also—and we can excuse it—was lack of industry. Had he fully read the report of the Brussels conference he would have found the figures and all the information which I now propose to give to the House. He evidently perused only part of the report; he had not concluded his perusal before he made his speech. I now beg to submit to the House another comparative statement which I desire, for the information of hon. members, to place on Hansard. I will only summarize it. This statement, I may remark parenthetically, is given in the current coin of the respective countries; it is not necessary that it should be reduced into the dollar currency. These figures are for the year 1920-21 as supplied to the Brussels conference, and I have placed, for ready reference, opposite the name of each country, the page in the report of the conference where the figures appear.

FROM VOL. IV—INTERNATIONAL FINANCIAL CONFERENCE

PERCENTAGE of Expenditure for Defence compared with Total Revenue based on Figures for 1920–1921

—	British Dominions	Revenue	Expenditure for Defence	%
	Canada	$ 432,000,000	$ 15,215,000	3·5
P. 73	Australia	£ 49,905,000	£ 3,795,000	7·6
P. 89	New Zealand	£ 27,713,000	£ 3,968,000	14·4
P. 93	South Africa	£ 27,967,000	£ 1,386,000	4·9
P. 83	India	£ 134,800,000	£36,482,000	28·

(Note figures for Canada are based on Revenue for years ending March 31, 1921, and estimated expenditure for the following year.)

—	European Countries	Revenue	Expenditure for Defence 1920–21	%
P. 65	United Kingdom	£ 1,418,000,000	£ 230,429,000	16·3
P. 53	Italy	Lire 26,960,000,000	L 5,370,000,000	20·1
P. 43	France	Francs 24,770,000,000	F 5,118,000,000	20·7
P. 39	Belgium	" 9,300,000,000	F 737,000,000	7·9
P. 99	Holland	Goulden 733,113,000	G 84,902,000	11·6
P. 105	Spain	Pesetas 1,842,720,000	P 707,216,000	38·4
P. 111	Switzerland (Federation.)	Francs 412,812,000 (1919.)	F 196,905,000	(a) 49·
P. 117	Sweden	Kronen 929,400,000	K 197,942,000	21·3
P. 123	Norway	" 759,785,000	K 61,572,000	8·1
P. 129	Denmark	" 427,700,000	K 63,900,000	15·

(a) Of this amount expended in 1919 F. 144,000,000,000 was for mobilization.

See figures for the following countries in same Vol. IV as follows:—

Finland ..... Page 135
Czecho-Slovakia ..... " 139
Esthonia ..... " 143
Greece ..... " 147
Latvia ..... " 151
Lithuania ..... " 155
Poland ..... " 159
Roumania ..... " 163
Germany ..... " 167
Austria ..... " 171
Hungary ..... " 177
Bulgaria ..... " 181

—	South American Countries	Revenue	Expenditure for Defence	%
P. 187	Argentine Rep	Pesos 428,100,000	P 62,701,000	14·7
P. 191	Brazil	Milreis 633,711,000 (Gold and Paper)	M 143,100,000	22·6
P. 195	Chile	$ 300,200,000	$ 98,826,000	32·9
P. 201	Uruguay	$ 38,044,000	$ 7,270,000	19·
	Asiatic Countries.			
P. 203	China (1919)	$ 490,000,000	$ 207,832,000	42·4
P. 207	Japan (19–20)	Yen 1,064,191,000	Y 544,283,000	51·
P. 213	Siam (20–21)	Ticals 72,500,000	T 17,920,000	24·7

From this table it appears that Australia with a revenue of £49,905,000, spent £3,795,000 for all defensive purposes, or 7.6 per cent of its whole revenue while Canada spends only 3.5 per cent. New Zealand, with a revenue of £27,000,000 odd, spent £3,968,000, or 14.4 per cent of the whole income of that country was devoted to military and naval expenditures as against Canada's 3.5 per cent. South Africa, with a revenue of £27,967,000, spent £1,386,000, or 4.9 per cent of the total revenue. Now we come to another great Dominion. India, with a revenue of £134,000,000 spent £36,000,000 for defensive purposes, or 28 per cent of the total revenue of the Indian Empire. The figures I give for Canada, I may say, are based on the revenue for the year ending March 31 last, and the figures in regard to our expenditures are in the Estimates now before the House.

Now, I propose to examine the expenditure of some of the European countries on the same basis. The United Kingdom, with a revenue of £1,418,000,000, spent £230,429,000, or 16.3 per cent of her total revenue for defence purposes. Italy spent 20.1 per cent, for purposes of defence; France, 20.7 per cent; Belgium, 7.9 per cent; Holland, 11.6 per cent. Spain, with its small per capita expenditure, expended on her army and navy 38.4 per cent of her total revenue; while Switzerland, on last year's figures spent 49 per cent of her revenue to maintain her army; she has no navy. This, I may say, does not take into account the Cantons of Switzerland, but merely the Federation. Sweden, with an income of 929,400,000 kronens, spent 197,942,000 kronens on her army and navy, or 21.3 per cent. Norway spent 8.1 per cent; Denmark, 15 per cent on defensive purposes.

Take the nations of Europe, running from the lowest, 7.9 per cent, to the highest, 49 per cent of the total revenues of those countries are expended on armaments for the maintenance of armies and navies. Is it any wonder that the conference of Brussels made a recommendation on the question of further expenditures on armaments?

An hon. MEMBER: Hear, hear.

Mr. GUTHRIE: But compared with these vast expenditures, the modest 3.5 per cent of our revenue which we expend for similar purposes makes the position of Canada, I think, pre-eminent. It may be said—and quite probably it will—that I have dealt only with the warring nations of Europe and that some of them are not yet restored to a peace basis. Well, some of the nations I have mentioned were never in the war and were never off a peace basis, but these nations also have large expenditures for military purposes. Let me turn next to South America, a part of the globe that was as far removed from the zone of war as could possibly be. (I cannot give the figures for the United States because the United States was not represented officially at the Brussels Conference and did not submit any statistics of defence expenditure. The figures I gave in regard to that country in my per capita statement, were, however, obtained from reliable sources. I obtained these figures only on a per capita basis, and could not divide the expenditure because I do not know what their revenues were in order to find the percentage. I have therefore omitted the United States from this comparison, but the percentage in the United States will be high enough when the facts are published.) But let us take South America. In the Argentine Republic it takes $14.07 out of every $100 of the revenue to maintain the army and navy. In Brazil the army and navy consume $22.06 out of every $100 of revenue, and in Chile, it takes $32.09 of every $100, of the total revenue to meet military and naval expenditures. These are the only countries in South America which furnished particulars to the Brussels Conference. But I can refer the House to several countries of Asia. The interesting country of Japan, with a total income, on the basis of 1920, of over 1,000,000,064 yen, expended for defensive purposes 544,000,000 yen, or 51 per cent of the total income. China's currency is given in dollars. China had a revenue in 1919—not 1920—of $490,000,000, and a defence expenditure of $207,000,000; 42.4 per cent of the total revenue of China went in defence expenditure. Now, take little Siam. Siam had a revenue of 72½ millions ticals, and an expenditure of 17,920,000 ticals—24.7 per cent of the revenue of Siam was spent for defence purposes. Mr. Speaker, these are interesting tables and they establish the fact that I have tried to emphasize in this House on many occasions, that the expenditure of Canada for military, naval and air purposes is positively at the lowest point consistent with the public safety and national dignity. It is not extravagant, it has been pared down to the bone. My hon. friend from Shelburne and Queen's approves the proposal of some military ex-

penditure, of some armed force for the preservation of the dignity of Canada, and the maintenance of peace within our own borders. What I submit to the House is, you cannot reduce this expenditure any further and at the same time maintain even a small and efficient force. If you go below the line of safety you will simply waste your money—you may spend your money so sparingly that you may have nothing useful or practical to show for it in the end. We have come pretty close to the margin of safety now, if we have not actually gone beyond it. I have got another illustration and I may as well give it to the House now. Some one may suggest that the comparative statement I have just cited is not a fair test because some countries have more revenue than others as a result of higher taxation. Very well then, establish a test upon the basis of the expenditure of each country. Apply that test. I ask permission to print another statement which will afford a comparison of the expenditure for defence purposes of most of the leading countries of the world in relation to the total expenditure for all purposes in such countries. I now beg to lay such a statement before the House:

COMPARATIVE Statement of Expenditure for Defence and Total Expenditure of various Countries based on Reports furnished to International Financial Conference, for 1920–21.

——	British Dominions	Total Expenditure		Expenditure for Defence		%
	Canada	$	591,000,000	$	15,215,000	2·5
Vol. IV—						
P. 73	Australia	£	49,570,000	£	3,795,000	7·5
P. 89	New Zealand	£	34,000,000	£	3,968,000	11·7
P. 93	South Africa	£	39,754,000	£	1,386,000	3·5
P. 83	India	£	132,700,000	£	36,482,000	27·5
	European Countries					
P. 65	United Kingdom	£	1,365,300,000	£	230,429,000	16·8
P. 99	Holland	Gulden	724,192,000	G	84,902,000	11·7
P. 105	Spain	Pesetas	2,060,730,000	P	707,716,000	34·3
P. 109	Switzerland	Francs	573,326,000	F	196,905,000	34·3
P. 117	Sweden	Kronen	890,889,000	K	197,942,000	22·2
P. 120	Norway	"	584,885,000	K	61,572,000	10·6
P. 129	Denmark	"	637,700,000	K	63,900,000	10·
P. 39	Belgium	Francs	8,578,460,000	F	737,165,000	8·6
P. 43	France for 1920	"	43,388,637,000	F	5,118,524,000	11·8
P. 49	Italy (20–21)	Lire	22,548,000,000	L	5,370,000,000	23·8
	South America					
P. 187	Argentine Rep	Pesos	402,336,000	P	62,701,000	15·6
P. 191	Brazil	Milreis (Gold and Paper)	551,917,000	M	143,100,000	26·
P. 195	Chile	$ (Gold and Paper)	253,139,000	$	98,826,000	43·
P. 201	Uruguay	$	41,110,000	$	7,270,000	17·7
	Asia					
P. 203	China	$	495,763,000	$	207,832,000	41·9
P. 209	Japan	Yen	1,134,968,000	Y	544,383,000	47·9
P. 213	Siam	Ticals	89,605,000	T	17,920,000	20·

*Canada figures taken from Estimates of 1921–22.

Canada's expenditure for defence purposes is two and a half per cent of the total expenditure of this country accepting the statement in the Budget of $591,000,000 as Canada's total expenditure. If the actual expenditure is more, the percentage will be less; but taking it at that figure the expenditure for the army, the navy and the air force is two and a half per cent of our total expenditure. In Australia the expenditure for these purposes is 7.5 per cent; New Zealand 11.7 per cent; South Africa 3.5 per cent; India, 27.5 per cent of total expenditure. Now let me take the countries of Europe: in the United Kingdom 16.8 per cent of the whole expenditure of the country is for purposes of defence; in Holland, 11.7 per cent; in Spain, 34.3 per cent; in Switzerland, 34.3 per cent; in Sweden, 22.2 per cent; in Norway, 10.6 per cent; in Denmark, 10 per cent; in Belgium, 8.6 per cent; in France for 1920, 11.8 per cent; in Italy for 1920-21, 23.8 per

cent. These are all the European countries in regard to which I am able to furnish figures. For South America: in the Argentine Republic 15.6 per cent of the whole expenditure is for the army and navy; in Brazil 26 per cent of the whole expenditure is for defence; in Chili, 43 per cent of the expenditure is for defence; and in Uruguay, 17.7 pr cent. Now let us take Asia: in China, 41.9 per cent of the total expenditure is for the army and navy; in Japan 47.9 per cent of the total expenditure; and in Siam, 20 per cent of her whole expenditure.

We have wended our way through North America and South America, through Europe, through Asia, we have touched on Africa, and we have looked in upon the larger islands of the

5 p.m. Pacific ocean in our search for comparisons. Make what comparison you deem proper, frame it from any viewpoint you desire, in every instance the position of Canada upon the question of military and naval expenditure is so outstanding, so pronounced and so satisfactory it should silence all criticism on the subject. I do not know, Mr. Speaker, that I need deal further with that question.

I had the honour of attending the Brussels Conference in September last, and I was a party to the resolution which my hon. friend from Shelburne and Queen's has laid before the House. I came home from the conference imbued with the idea that one of the greatest curses in the world to-day was military expenditure. I came home as fully determined as possible to plunge the knife into the military expenditure of this country so long as I did not go below the line of safety. I am disclosing no secret information which I should not make known when I inform the House that when the Estimates of the Militia Department for the present year and for the present requirements of this country were submitted to me in the first instance—Estimates not prepared extravagantly or elaborately, but merely providing for what in ordinary times one might call the absolutely necessary military requirements of Canada—when all the various branches of the department had made their requests, the aggregate was almost $17,000,000. This was the amount we should have had to ask for to keep up just the ordinary, pre-war, peace-time military establishment. My hon. friend from Shelburne and Queen's expended for this purpose away back in the year 1905 the sum of $5,678,000 upon the militia. If the purchasing power of the dollar in 1905 was upon the basis of the dollar to-day it would have required an expenditure of over $11,000,000 to carry out the modest programme of 1905.

Mr. SINCLAIR (Guysborough): Are my hon. friend's calculations based on the existing rate of exchange in the European and Asiatic countries?

Mr. GUTHRIE: They were prepared by very expert officials, but I cannot give my hon. friend the information he seeks. I can tell him this however—the figures presented at the Brussels Conference are the figures which each nation furnished from its own Treasury Department, and in all these calculations I have given the figures in the currency of each country, making the comparison by percentages which absolutely avoids the question of exchange.

Mr. SINCLAIR (Guysborough): I do not think my hon. friend understood my question. Take the case of Great Britain, a pound in Great Britain is worth approximately $4.

Mr. GUTHRIE: I gave the figures for Great Britain in pounds sterling.

Mr. SINCLAIR (Guysborough): Is the calculation based upon what the pound is worth to-day or on $4.86, the normal rate of exchange?

Mr. GUTHRIE: I think my hon. friend must have misunderstood me. The tota expenditure of the United Kingdom is one billion and some odd pounds. Its army and navy expenditure is 230 million odd pounds. The ratio is 16.8 per cent; it does not affect the question of exchange.

Mr. KING: What about a per capita basis?

Mr. GUTHRIE: In that instance the figures are upon a dollar basis. The figures are given in the currency of each country in the second and third statements dealing with percentages.

Mr. SINCLAIR (Guysborough): It is the per capita basis that I have reference to.

Mr. GUTHRIE: I could get that information, but I do not happen to have it under my hand now. However, the point I make is this: That I have resolutely endeavoured to cut down military expenditure in Canada. I was impressed with what I heard, and with what I saw at the Brussels Conference, and I deliberately determined to cut down this expenditure in every

reasonable way. Not only was it my own determination to do so but it was by positive instructions from my leader the right hon. Prime Minister. I had little alternative in that respect; I not only cut the expenditure down because it was in accord with my own judgment, but also because I was positively instructed to do so. A serious question is, have I cut it below what I should have done? I do not desire to say anything unkind about certain criticisms which are offered in this House from time to time in regard to military expenditure, although I do think much of this criticism arises very largely through a lack of information on the subject. I have heard motions put in committee to reduce the vote for the annual drill of the militia from $1,500,000 to $750,000. Why, you might just as well cut that expenditure out altogether. If you are going to have a militia you will have to drill it, otherwise you had better not have a force at all. The actual figures required this year for the training of militia units, the volunteers, was $2,700,000, but we cut the figures down to 1½ millions. This sum will only allow us to drill eighty per cent of the militia units at sixty-five per cent of their strength, allow them only six days' annual training instead of, as formerly, twelve days. That is a very substantial cut. If you go below that amount you might as well wipe the expenditure out altogether. I express the earnest hope that next year sufficient money may be voted by the House to enable all the militia units in Canada to perform their annual training at full strength and for full time. It will require at least $1,200,000 additional to do this, but it will be money well spent by the country. Another hon. member criticised the amount asked for in the Estimates for the permanent force, and moved to reduce the vote by $2,000,000. The Permanent Force is at rock bottom at the present moment, and every dollar in the Estimates is absolutely necessary to maintain this small force. We will not come out even this year unless we suffer from a few desertions this summer as we usually do at that season, so close have we cut those figures. I think there was one other item in the Estimates against which a motion was made this session. It was to cut out the pay and allowances to officers—the little allowance which the commanding officer of a unit has for the purpose of paying the incidental expenses of the unit, the little outgoings that otherwise he has to pay out of his own pocket. Does the House not know that the band of loyal men who command our militia units give their time practically for nothing, that every man of them is a loser from the financial point of view, to say nothing of the loss of time. The money they draw does not as a rule come to them, it is funded for the purposes of the regiment. The expenses in far too many cases have to come out of the pocket of the commanding officer. There is absolutely no financial gain for any man in the militia. It is loyal, patriotic work on the part of the men who command these units, and I would be sorry indeed that the day should come when this House should cut out these trifling allowances to men who so freely give their services, their time and their money.

May I make just one more reference to the attitude of my hon. friend for Shelburne and Queen's and also to the attitude of my hon. friend the official leader of the Opposition in regard to the Militia of Canada. The former in his speech on Tuesday stated, used this language—and the passage will be found at page 3252 of Hansard:

> Now come, if you will, to the question of naval and military expenditures. If anybody says that in this country we have no need of any naval or military expenditures—once in a while I hear some suggestion of the kind—I do not wish to be included among the list of people who entertain such views. A self-resepcting country must have a small standing army, a nucleus that would be available when an emergency arises, and it must have, in a moderate degree, even some naval organization.

But this is the part to which I wish to draw particular attention:

> But, I do humbly submit, this is not the time for these things. My hon. friend the member for Quebec South (Mr. Power), himself a gallant returned soldier, the other day reminded us of an important fact. We have 400,000 trained soldiers in Canada to-day—the best material for fighting that the world has ever produced. These men can be called upon if any emergency arises. Why we should anticipate any emergency at this time is not easy for anybody to conjecture. If there ever was a time when we had need of but little military expenditure it is to-day, and I believe the men who will be most ready to confirm that view will be the returned soldiers themselves. They have had all the war they want—

Mark those words:

> —they want a chance to get back to the arts of peace. And so I say that the military expenditure might well have been curtailed in the present year in larger measure than has been attempted by my hon. friends opposite.

My hon. friend the member for South Quebec during the passing of the Militia Estimates made an exactly similar state-

ment. Last year when the Militia Estimates were under discussion my hon. friend the official leader of the Opposition made another very similar statement, which will be found at page 3675 of Hansard:

> I would point out that we have in this county at the present time an army of experienced men who need no drilling, men who have been through the war and have suffered its hardships. No amount of drilling in the world will make them more efficient than they are to-day, and until we are through with the work of demobilization we can well afford to dispense altogether with annual drills.

What do these statements mean, Mr. Speaker? They mean simply this, that we have in Canada at this moment about 400,000 of the most highly trained soldiers that the world has ever seen, men who have gone through the worst grilling in battle that the world has ever known. They have bared their breasts to the shot and shell of the enemy, they have taken their chances, they have done much to secure us who stayed at home in our lives, our homes and our liberties. And the message to those brave lads from the leader of the Opposition, from his chief lieutenant who sits beside him, and from the hon. member for South Quebec means, if it means anything: We will be so penurious and so miserly that we will not spend any further money for military training, but if trouble comes in the future we will call again on those brave souls to protect us. Surely, in the name of God, these men have earned some measure of relief, surely under high heaven one may honestly declare that these men have done their bit, their full bit, and are entitled to rest and to immunity while others are in training to take their places. I want every returned soldier—

Mr. MACKENZIE KING (rising)—

Mr. GUTHRIE: I will not be interrupted for the moment. I want every returned soldier to know the attitude of hon. gentlemen opposite upon this question. To my mind it is the most unjust, the most unreasonable and the most ungrateful attitude that could be assumed by any body of men in this or any other country in regard to those gallant men who served their country during those long and awful years of war.

Now, Mr. Speaker, we are told, on the other hand, that there will be no more war, and the cry is in some quarters: Wipe out all military expenditure. That cry is popular, very popular among some elements in this and every other country. It is particularly pleasant to the ear of the Bolshevist, to the ear of the Red and to the crowd which gathers around the soap-box orator at the street corners in our big cities. They like it, they talk it, they write it in their newspapers. Cut out all military expenditure, is their demand. We reply: No. Reduce the military expenditure to the line of safety and do not go below that line. We have reduced far below the pre-war basis—it was pretty high the year before the war, $11,000,000 and over—we have come back to the same basis we had in 1905, 1906 and 1907. We have adopted the recommendation or rather the suggestion, of the Brussels Conference, and we have carried it into effect to a greater extent than has any other country in the civilized world. I know there are those who believe that the millennium is at hand. I know there are those who believe the League of Nations is going to solve all the difficulties of this world. God grant that it may be so. If the League of Nations shall succeed in maintaining peace among the nations of the world, if it shall succeed in removing from the minds of men the fear of war, and the burden of war from the backs of weary multitudes, it will have accomplished the greatest thing which has transpired in this world since Christ was born in Bethlehem. Let it go on with its good work and it will have our God speed. Let it prosper. But I am inclined to think that the better judgment in this country and throughout the world at this moment is that the time has not yet come when "men will beat their swords into ploughshares and their spears into pruning hooks," and until that day does come we, as trustees of the people and of this country, have this clear duty imposed on us, which we have always carried out in the past and will carry it out in the future—the duty of maintaining a sufficient military and naval defensive force to preserve law and order within our own boundaries, to preserve the life and property and homes of our own people, and to keep the shores of this beloved country inviolate, no matter who shall be the aggressor.

Mr. D. D. McKENZIE (Cape Breton North and Victoria): Mr. Speaker, I propose to speak on the subject of the Budget. I must say at once that I do not pose as a military critic, nor did I have any expectation that we were going to fight the war over again, and that all the breeze and enthusiasm and eloquence which during the war served their purpose for the Government were to be rehashed and revamped

this afternoon by the Minister of Militia (Mr. Guthrie). Let me assure the minister that if there is any patriotic assistance necessary for any soldiers in this country, the Opposition is just as anxious as he is to meet their views and their just demands. Can anything be more ridiculous, Mr. Speaker, than the idea that this vote of eleven odd millions which is in the Estimates for the purposes of militia is going to be a godsend to the wives and children and homes of the soldiers of this country? It is not the intention of the vote; such an end cannot possibly be accomplished by it. Now, what judgment are we to pass upon the speech of the hon. Minister of Militia? It is not necessary for the purposes of the militia vote; it has nothing to do with it. It is simply an attempt to throw dust into the eyes of the returned soldiers and make them believe that the Government is in the right while the hon. member for Shelburne and Queen's and the leader of the Opposition are proceeding in the opposite direction. But nothing of the kind has happened so far as hon. members on this side are concerned as regards assistance to the returned soldier. Let hon. gentlemen opposite read the resolutions that are being sent to them from time to time by returned soldiers, resolutions that are being passed by associations of war veterans all over the country. The last resolution of that kind was passed, I think, by the veterans' organization for the whole of Canada, met in conference in some central city—a resolution calling upon the Government to resign and to let competent men administer the country's affairs. I suppose this strong speech this afternoon is for the purpose of telling the returned soldiers who are passing these resolutions that there is still some kick in the old horse and that something is going to be done.

I do not propose to follow the enthusiastic eloquence of the hon. minister. But could anything be more absurd than for sane men, men who are of age, to be sitting in this House on this beautiful May afternoon discussing expenditures upon war material and war operations in Canada as compared with those of the republics of South America, for instance? Could anything be more ridiculous? We are not an independent nation. We are not defending ourselves against the outside world. Is the Prime Minister or the Minister of Militia prepared to say that we are going to start an expenditure in this country for the purpose of defending ourselves against our neighbours to the south? Will nine millions of people arm themselves to protect their country against 110,000,000 or 120,000,000 people? Is that what we are called upon to do? Nobody would think for one moment of such a thing. Does the Prime Minister or the Minister of Militia think that the fact that we live alongside a splendid, civilized, God-fearing, law-abiding nation counts for nothing at all? Must me make the same expenditure on armaments, take the same steps for the purpose of protecting our homes, as if we lived down among the Hottentots, in the wilds of South Africa? If that is the theory that is put forward by the Minister of Militia, I assure him that the sound, sensible people of Canada think differently. They are going to take advantage of the fact that they live alongside the class of people that I have just described. We have lived in peace alongside the United States for more than a hundred years, and we want to continue that situation. We do not want to start any trouble between ourselves and our friends across the line or elsewhere by showing that we are spending millions every year upon armaments. Will any member of the Government say that our military expenditures and our military preparations are anything but supplemental to those of the Mother Country and the other dominions? That is the attitude which we have always taken; that is the attitude which we take to-day. When the Mother Country is in danger, when she declares war, we are with her, just as Australia, New Zealand and South Africa and all parts of this great Empire are with her. It is not my understanding of the sentiments of the people of this country that we are to keep up an army and a navy so far as that will make us an independent nation and enable us to fight against our neighbour to the south of us —if such a ridiculous and absurd condition could possibly be conceived. Sir, when the people of this country look for cheaper food, cheaper clothing, cheaper supplies for the maintenance of their families; when they crave for work to enable them to earn the moneys that they require, the Minister of Militia tells them: "We have nothing to offer to you; we have no public works for you; the factories are closed. You who have no bread for your children; you who need clothing for the members of your families; you who cannot sleep at night because of the troubles which beset you—you must bear

in mind that the percentage of the cost of armaments to revenue in Canada is less than it is in Brazil. That is what you may feed your children with; that is the consolation the Government has to give you." Sir, it is not necessary to argue that the people of Canada to-day are thinking more of the necessities of life than they are of military matters. I do not think I should occupy any further time in following up these comparisons. Our idea is to get clear of expenditures of this kind so far as we possibly can. Only a few days ago the ex-Prime Minister, the right hon. member for King's (Sir Robert Borden) delivered an address in this House on constitutional law and constitutional history, on the relations which should exist between one country and another, and on some of the effects of war. And what did he say? He rebuked the Government by saying that the aim should be to drop all appearances of keeping up a military force in this country; that we should come back to peace and harmony and brotherhood. That, I imagine, should be a sufficient answer to the Government for the policy which they are pursuing in military matters. The right hon. member for King's was in charge of the country's affairs during the war and was familiar with all its phases and all the relations which it brought about as between nations—more familiar with them, perhaps, than either the present Prime Minister or the Minister of Militia. We on this side may not always be willing to follow the right hon. member for King's, but I think this is one case in which the people are quite willing to accept his advice. Let us live as peaceably as we can; let us make as little military expenditure as we can; let us get back as quickly as possible to the happy times of pre-war days. Why did thousands of our boys lay down their lives upon the battlefields of France and Flanders if not to establish peace and harmony in this country and forever to down the dragon of war?

If we are to keep up this warlike spirit after the war is over, if no fruit is to be obtained as a result of those sacrifices, we have, to my mind, largely in vain sacrificed the lives of our boys. Nobody need preach to me any higher ideals of our soldiers than I have; and if the day comes, if ever it comes, when it is necessary for this House to give proper recognition to the way in which it appreciates and values the services of those men, I am sure hon. gentlemen on this side will not be found lacking in expressing in a tangible way the manner in which they understand their responsibilities and duties in that regard. I do not take kindly to the lecture which was handed out to us this afternoon by the Minister of Militia and Defence (Mr. Guthrie), as if it was necessary to preach a gospel of that kind to hon. gentlemen who sit on this side of the House.

Leaving the military business at that, I wish to refer briefly to the first part of the speech of the minister in connection with the Budget. He pointed out the same old fallacy, which has been preached to us for the last number of years, that the Government has a surplus. Can anything be more absurd than to say that we have a deficit of nearly $200,000,000, and at the same time to tell us that we have a surplus? I do not know, nor can I understand, where that surplus comes from. On the face of the figures, which are as plain as they can be, we have a deficit of nearly $200,000,000, but at the same time we are told by the Minister of Militia that we have a surplus.

Mr. MEIGHEN: Perhaps the hon. member would take the figures of total revenue and total expenditure and just subtract one from the other, and see how his arithmetic is improving.

Mr. McKENZIE: There is a statement of that kind which I will come to in a moment.

Mr. MEIGHEN: But the hon. member does not do so.

Mr. McKENZIE: I claim the same right as a private member of this House that ministers of the Crown claim.

Mr. MEIGHEN: All right.

Mr. McKENZIE: While I am speaking, I have the same rights as they. The Minister of Militia and Defence scouted the idea of anybody interfering with him; I claim the same right even of the Prime Minister. I am long enough in this House to know what my rights are and I am going to insist upon them.

Some hon. MEMBERS: Oh, oh.

Mr. McKENZIE: If I can amuse or entertain hon. gentlemen opposite, that does not cost me anything and they are welcome to any amusement they can get out of my remarks.

What I was going to say, Mr. Speaker, is this, that you gave a ruling this after-

noon, that anything which was given as imaginary should not be entered upon the revised edition of Hansard. I would suggest that when you come to deal with to-day's Hansard, you issue instructions that the speech of the Minister of Militia and Defence, so far as it has reference to this surplus, shall not be entered upon the revised Hansard, because it is certainly of the most imaginary character.

The hon. gentleman speaks about the ordinary expenditure and the ordinary revenue, but he does not tell us what the ordinary revenue is, nor what the ordinary expenditure is. The ordinary revenues of this country are revenues similar to those which were collected before the war, before extraordinary taxes were imposed upon the people of Canada. If you are going to compare ordinary expenditure with ordinary revenue, you have to deal with the ordinary revenue and the ordinary expenditure of this country as we understand such revenues and expenditures. What are the extraordinary revenues that we have collected since the war? According to the figures given by the Minister of Finance, we have a right to say that one-third of the revenue collected by the Post Office Department is extraordinary, because the tax of two cents on a letter was raised to three cents. Therefore, about $9,000,000 of extraordinary revenue was collected in that way. I will give the figures from Hansard itself so that there will be no possibility of mistake about the matter. The Minister of Finance (Sir Henry Drayton) in his speech the other day, gave the different classes of revenue. He said that the revenue of the Post Office Department was $26,000,000. I claim that one-third of that was extraordinary revenue. The amount of $40,000,000 was collected under the business profits war tax, an entirely new tax. The amount of $46,500,000 was collected under the income tax, an entirely new tax. The amount of $79,050,000 was collected under the Inland Revenue war tax, an absolutely new tax. Other war taxes amounted to $2,355,000. These extraordinary taxes amounted altogether to $176,905,000. If the Minister of Finance or the Minister of Militia will deduct that amount of $176,905,000 from the ordinary revenue of the country, and then compare ordinary revenue with ordinary expenditure, there is some justification in the comparison; but if he leaves that amount in the ordinary revenue and makes the comparison in that way, it is not a fair comparison. There might be some justification if the comparison were used for the first time; but it has been used several times during the war; the same criticism was made, and still they keep talking as if moneys collected in this way comprise merely ordinary collections and they had a right to use such moneys as the ordinary revenues of the country.

I do not propose to follow the speech of the Minister of Militia and Defence any further. I wish to dismiss it by saying, for the reasons that I have stated, that he has not dealt at all fairly with the question whether there is a surplus or not, and the question, on which he spent a whole afternoon, trying to show us that this country is not spending on war as much as some of the smaller republics and small countries in the world which are absolutely independent nations and must defend themselves against other nations that are ready and apt to make war upon them at any minute, is not such a matter as should engage the time of this House for a single minute.

Coming down to the Minister of Finance (Sir Henry Drayton) and the presentment of the case which he has made to the House, I can only say that as sane, fair people would approach a question of this kind according to the facts as they present themselves, so would I approach the discussion of this question. I do not for one minute presume that anything which I can say will add to the most illuminating speeches that have been made by hon. gentlemen from this side of the House. The speeches made by the hon. member for Shelburne and Queen's (Mr. Fielding), by the hon. member for Red Deer (Mr. Clark), and by my desk mate, the hon. member for Maisonneuve (Mr. Lemieux), are of the most illuminating and noteworthy character, and if it was merely a case of resting upon a clear-cut answer to the speech made by the hon. Minister of Finance, it would not be necessary for this side of the House to say very much more, if indeed anything more upon the subject.

It was also most noticeable that the speeches made on the other side of the House came from Liberals, or Liberal proselytes, if you choose. There does not seem to be anybody left at all of the Old Guard who knows anything whatever about questions of this kind. I see I have stirred up my good friend from Regina (Mr. Cowan). He is not at all prepared to take a back seat; he is not willing to admit that all the learning and all the knowledge and all the capacity necessary to discuss public questions rests with the Jews

who have gone across over there from this side of the House. He believes that among the Gentiles also there are men who know something about public questions. We also had a very excellent speech from a one-time strong Liberal, the Minister of Marine and Fisheries (Mr. Ballantyne). He still tries to keep some shred, perhaps only a smell, of the garment of Liberalism around him whenever he makes his speeches.

Mr. MEIGHEN: He has had the garment fumigated.

Mr. McKENZIE: I am sure that fumigation would be required for anybody to live on the other side of the House. I was simply referring in the most complimentary way to the speeches of my hon. friend.

Then what did we have in the speech that we have just listened to from my hon. friend the Minister of Militia (Mr. Guthrie)? As I heard him speak, I was trying to figure out whether we were listening to Saul of Tarsus or Paul the Apostle. The transition was very striking indeed. I could not help thinking as the Minister of Marine and Fisheries was making his speech that his friend who was sitting alongside of him, the Minister without portfolio, the hon. member for Yarmouth (Mr. Spinney), was very uncomfortable. I was looking at him from my position of vantage here, and I could see that while the Minister of Marine was pounding his desk, emphasizing his high-as-Haman's-gallows protection, my good friend from Yarmouth was doing a lot of thinking about a speech of his last year. When the tariff walls were being raised higher and higher, and hon. gentlemen opposite were pounding their desks the harder, the higher the walls of high protection were to be raised in this country, I could not help thinking of what my hon. friend from Yarmouth said last year:

> I can only say that I regret that at this stage my hon. friend found it necessary to introduce this amendment which comes at a very inopportune time. It has for its purpose, as I assume, the downfall of the Union Government, or their return to the country to get a fresh mandate from the people. I must point out this fact, that since they have been in power I have followed them as a free trade, or rather as a revenue tariff liberal. I am that to-day, but I do not believe that any tariff for other than revenue purposes could be satisfactorily dealt with in this country at the present time.

That is the gospiel of my good friend from Yarmouth—revenue tariff or free trade, if you please. I would say to him that it was time indeed when he heard that strong, loud speech from the Minister of Marine and Fisheries, which left no doubt at all as to the attitude of the Government, to take up his bed and walk, and say to the Prime Minister and the Minister of Trade and Commerce as he passed out of the door: "Fare thee well, and if forever, then forever, fare thee well,"—because there appears to be nothing in common between the views, or the protestations at least, of the hon. minister without portfolio and the statements of the rest of the Cabinet. I presume that, like most other things, he will disappear and the place that knew will will know him no more forever. I think it can be said that as far as representing the fair county of Yarmouth is concerned, he has finished his work. There may be a crown for him somewhere, but not in the county of Yarmouth.

I have referred to the speeches on the other side of the House from men who were formerly on this side. I am proud of those speeches. It is some satisfaction to know that the men who have gone away from here, but without whom we can get along so splendidly, because we have such excellent talent on this side of the House—surplus as they were with us, and easily as we could spare them, the other side of the House must needs seize them and put them in the very forefront, as evidently they have nobody else to put up. That is some satisfaction to us on this side of the House, and that is the reason I have alluded to those speeches. I had forgotten to mention in this connection my good friend from North Oxford (Mr. Nesbitt). No man deserves better at the hands of this side of the House to-day than my hon. friend, for the very scathing criticism that he handed out to the Government yesterday. Of course, I did not receive that criticism with any very great acclaim, because I know my hon. friend from North Oxford so well. There is some nigger in the fence; there was something in that speech of his last night by which he is to advantage himself. I have not been able to discover just what it was, but before the general election is over it will be very clear on every barnside in the county of North Oxford just what his purpose was. However, speaking for myself, we expect to get along to some extent with the assistance he gave us last night, but let me assure him that we are not at all deceived as to the real genuine purpose of that speech, and the real spirit of it will come to the fore before many months.

Mr. NESBITT: Tell us what you think the purpose was?

Mr. McKENZIE: I told my hon. friend that I had not reached a conclusion. There are so many things it might be. But there were so many barn doors to it that it would be difficult to reach any clear conclusion as to what it meant. However, of one thing I am perfectly clear, and that is that it is not all intended for us; that is one sure thing.

As I was saying, Sir, if the minister's statement were that of a business concern, it would not be found very satisfactory. The financial condition of any institution is the best index to its strength and stability, and the condition of this country at present is not satisfactory, financially or otherwise, if we are to judge by the figures presented by the minister. I do not think it can be said that Canada, financially speaking, is in a very healthy condition. The minister tells us that for the ensuing year, the revenue will be $432,000,000; but the prospective expenditure—not the $500,000,000 which has been spoken of—is $613,000,000. In other words, there is a deficit, according to my subtraction, of $181,000,000. Per capita, this is $21, and for a family of, say, six, it represents a burden of $126. The national debt has increased from $350,000,000 to $2,350,236,700, an advance of $2,000,236,700. This shows an increase per annum, during the ten years my hon. friends have been in power, of $200,023,670, or a per capita debt of about $260, which, for a family of six, means $1,560. Now, the per capita tax in 1911, the year the Liberal party gave up the reins of power, was about $43, or, for a family of six, $258. At the present time it is $1,560, showing an alarming increase. That in itself speaks volumes for what is being done in the country to-day as compared with the record of our day, and the result is altogether attributable to the difference in policy between the two parties.

In the House a few minutes ago I saw my good friend from Queen's, Prince Edward Island (Mr. Nicholson). It will be remembered that he declared in this House some years ago—I think, indeed, the first year he was in the House—after associating for a while with hon. gentlemen on the other side, and conversing with them, that the policy of the Tory party was to dash away and spend the money; and he is a good business man who has a knowledge of financial matters. Now, following out that programme, hon. gentlemen have certainly spent the people's money to such an extent that to-day there is hardly anything left with which to carry on the public affairs. The expenditure to-day is $613,000,000, as compared with an expenditure in the year 1911, the year of the election, of $87,000,000 or $88,000,000. It will be recalled that the right hon. gentleman who to-day represents the county of King's, Nova Scotia, and who was at that time leader of the Opposition, stated, either in the House, or in his manifesto, that that annual expenditure of between $87,000,000 and $88,000,000 was in itself prima facie evidence of reckless and corrupt expenditure on the part of the Liberal Government, and proof that the party then in power deserved to be turned out of office, and the charge of public affairs handed over to other people. What does the right hon. gentleman say to-day when he finds that, for practically the same purposes, apart from war expenditures, we are spending not $87,000,000, or $88,000,000, but over $600,000,000, of the people's money? If the expenditure of our day was evidence of bad management and lack of judgment, how much more condemnatory is the present scale of expenditures under this Government?

The Minister of Finance—I am sorry he is not in his place—has shown favouritism to the millionaires, the trusts, and the combines in this country, and, as usual, he has kept a heavy hand upon the poor people. Last year there was a great ado in this House in regard to the tax on luxuries. We were told that the Minister of Finance had at last awakened to the gravity of the situation, and was determined to tax those who could afford silks, satins, and all the other luxuries that money can buy. He was going to lay a firm hand on such people and make them contribute to the taxes of the country to pay the costs of the war. There was considerable talk about this, and quite a discussion, and at last this tax was put into operation. Well, what has happened? I see the Minister of Finance in his place now and I am glad of the fact. The hon. gentleman soon caught on to the disposition of the company in which he found himself as a member of the Government; became a friend of the millionaire and of the profiteer, and now things are reversed and he lays a heavy hand upon the ordinary man, who should be helped and for whom living conditions should be made as easy as possible. While he abolished the luxury tax, the only weapon by which he could reach those who are able to travel and who can revel in luxuries, he retains the means for making things

uncomfortable for the poor man and of taking from him practically that which he has not. He allows to escape the ladies with the diamonds and sumptuous furs, the silks and the satins; he lets go the Queen of Sheba, while he chases the little boy with the twenty-five pound bag of flour under his arm. I told a former Minister of Finance in this House when a tax was put on apples that they were taxing the fruit of the poor man. That tax is in force yet. I told him when they put a tax on oil that they were taxing the light of the poor man. They put on the apple tax to please their supporters, and millionaire supporters at that, from the great province of British Columbia. On the occasion referred to, I told the former Minister of Finance that by what he had done he had knocked the apple out of the baby's hand and sent him to bed in the dark. Now I am telling the present Finance Minister that while he lets the Queen of Sheba go by in swell array he is having a tax collector stand on the corner, stick in hand, to knock down the poor fellow that has not paid the tax on his twenty-five pounds of flour. All these things constitute evidence that the poor man is visited with the scourge of taxation, while those who can better afford to pay such taxes are allowed to go scot free.

At Six o'clock the House took recess.

After Recess

The House resumed at Eight o'clock.

Mr. McKENZIE: Mr. Speaker, when you left the Chair at six o'clock I was pointing out the unfairness of the distribution of taxation as presented by the policy of the present Administration and as applied by the Minister of Finance. I was pointing out that the class of people who were supposed to be living in luxury and capable of enjoying the fruits of wealth are allowed to escape under the Budget, whereas the poorer classes are visited with taxation. I was pointing out that the man who can buy on a large scale escapes, in some places and under certain circumstancese, the taxation which falls on the poor man whose means will not permit him to buy on such a scale.

I wish to point out further, Sir, that ever since we got into war habits of expenditure this Government has always permitted the barons and profiteers of the Tory party to make millions, whereas no like opportunity has been given to the rank and file of our people. I wish to point out now, as I pointed out before, the very serious mistake made by the then Minister of Finance (Sir Thomas White) and by his successor, the present minister, in adopting his policy, in lending money to the tune of millions of dollars, money that in a sense we did not have—borrowed money, to foreign countries without security and without very much prospect of ever getting it back. In fact, it is more in the nature of a gift than a loan. What was it given for, Mr. Speaker? There is no record in Parliament of any request having come from those foreign countries for loans. Nor is there any record, so far as any member of the Government has ever disclosed, that any proper provision was made by any of the governments of those foreign countries to furnish business-like security. And those moneys were advanced out of borrowed funds which might have been applied to much better purpose at home.

How were those moneys to be spent? One would suppose that the plenipotentiaries of those foreign countries would come here and make proper arrangements with our Minister of Finance, but there is no record of anything of the kind. As a matter of fact, those loans really were provided so that a coterie of supporters of the Government, manufacturers of Ontario and other parts of Canada, might dispose of the immense stores of material, such as clothing, harness, boots and shoes, and of foodstuffs, such as butter, cheese, flour, potatoes, pork, mutton and beef, which they had gathered up all over the country for the purposes of the war in the expectation that it would continue longer than it did. When peace suddenly came those men were simply overstocked. Those multi-millionaires, those profiteers—and I do not use this term in any improper sense in this connection—men who during the whole course of the war were piling up millions of dollars, and who could very well bear some of the losses consequent upon peace, could very properly have been left to shift for themselves. But what happened, Sir? A commission was formed and some of the members of this House were appointed to divide these millions of dollars among our multi-millionaires who had those goods to sell. The foreign countries evidently had nothing to say about it. The commission decided among themselves how the money was to be applied for the disposal of the huge quantities of goods stored everywhere throughout the country. Those goods were sold and sent to those foreign countries, and their

owners got their money clean cut and easy —Government cheques were passed out, and they were through with the transaction. But the Minister of Finance is still looking for his principal and interest, and, so far as we on this side of the House can learn, there is nothing yet in sight.

What fault do I find with those foreign loans, Mr. Speaker? First, I find this fault, that this was not a business transaction, that we did not have the money to spare, and that we might have utilized it to much better purpose in developing our own country, and thus spending the money with the maximum of profit to our own people. Further, I find fault in that the loans have not been properly secured. But the worst feature of all is that the poor people of this country, who during the war and at the time of this transaction were paying enormously high prices for the goods they needed for their families, were denied the opportunity of participating in the advantages which would have accrued had those goods been sold here at the market prices. Instead of that, they were taxed to furnish money to enable others to buy these goods as against themselves, in other words, to compete with them in the markets of this country for goods which the people needed but could not buy by reason of the high prices which were maintained in order that these very goods might be sent to those foreign countries at our expense. I submit, Sir, that that transaction alone is enough to condemn any administration which had to do with it.

If we had not at the proper time directed the attention of hon. gentlemen opposite to these things and found fault concerning them, they might well on some subsequent occasion ask why we had not raised the question at the proper time. The records of this House, Sir, will show that I and other hon. gentlemen on this side opposed this transaction as strongly and as vigorously as we could. But the majority opposite feel that they are serving their country, serving the purposes for which they were sent here, by voting down, through the exercise of brute force, any ideas of business principles that emanate from this side. That is the treatment which was handed out to us in connection with this transaction, and it is only in line with the procedure followed by my hon. friends opposite in all matters of like importance since they took office. I point this out as one of the things which the Government have done contrary to the interests of the people, and one of the things which give evidence of a lack of conception on the part of the Government as to how the business of the country should be handled. The people of Canada cannot be fully awake to the enormity of this political crime, the placing of one hundred millions of the people's money in the hands of a commission for the buying of goods out of storehouses in Canada which could have been sold here at a low price and to the advantage of the people, and the carrying of those goods out of the country at our expense. We do not get a cent of the money back and the probabilities are that we never will. I repeat that this is simply in line with the policy of this Administration and with the manner in which they have carried on the business of the country.

We have on our hands the old Mackenzie and Mann railway system, the Canadian Northern. We own it; we have paid for it three or four times over, and we are running it. It is still known to the world as the system of the Canadian Northern Railway Company. When the Government want to borrow money for the running of this railway one would think that any sane Minister of Finance or Minister of Railways would regard the credit of Canada as better than the credit of the Canadian Northern Railway Company. But the Government do not proceed in this way; they borrow money in the name of this defunct and bankrupt corporation—a corporation which, while it was moving or had any life in it, never had the reputation of paying its bills, never had any proper standing in the financial world. Why should we continue to carry on business under the name and standing of that corporation? I suppose hon. gentlemen opposite will tell me that I am dreaming. Sir, I am not dreaming; that is the way this Government is carrying on business to-dav. They borrow money in the name of the Canadian Northern. No person questions the credit of this country. I may find fault with the Minister of Finance; I may find fault, and deservedly so, with the Government generally; I may find fault with the policy of hon. gentlemen who are supporting the Government, but I have not the slightest doubt of the sufficiency and the solidity of the credit of this country. If money is to be borrowed we should go into the market as a country with the reputation that we have as business people and borrow it on the strength of our own credit without playing upon the credit of a bankrupt concern such as the Mackenzie and Mann-Canadian Northern Company. I have in

my hand, Sir, a record from the other House which sets forth certain inquiries with regard to the borrowing of money by the Government for the purposes of the railway which I have mentioned. These are the questions that were asked:

1. Has the Grand Trunk Railway or the Canadian National Railways or the Grand Trunk Pacific Railway placed any loan in the United States during the last twelve months.
2. If so, with what firms or persons were these placed?
3. Were there any commissions paid or other disbursements of any sort in connection with these loans.
4. If so, to whom were these commissions or other moneys paid?
5. What were the rates of interest?
6. What were the net proceeds of these loans?

The Hon. Sir James Lougheed answers, on the first day of March, 1921, as follows:

1. Loans have been placed in the United States during the last twelve months by the Canadian National Railways and by the Grand Trunk Railway, as follows:

Canadian Northern Railway Company—

7 per cent equipment trust, series "E" 1920, certificates (Canadian National Rolling Stock, Ltd.), $15,000,000. Dated May 1, 1920; matures May 1, 1935. Issued through Dillon, Read & Co., New York. Net price to Railway Coy., 95. Net proceeds, $14,250,000.

In other words, the bonds or stocks, whichever they were, of this great country can only be sold at 95 when we are selling under the very inviting name and business stamp of the old Canadian Northern. The friends of the old Mackenzie and Mann concern are taking advantage of this opportunity of having another haul out of the Canadian people. Apparently, on the surface, the Government has nothing to do with the matter; it is money that is borrowed by the Canadian Northern, and the old friends of the old Canadian Northern who used to handle the business,—their solicitors, their agents, their brokers, the same people are there doing business at the old stand. The answer continues:

Expenses:

Printing, American Bank Note Co.	$3,475
Signing certificates, Signature Company.	150

Expenses:

It appears that we have not enough civil servants to do this little bit of business; $150 must be paid for the mere signing of these certificates.

Then there are the following expenses:

Trustees' fees, Girard Trust Co.	$ 7,567 46
Legal costs, Duane, Morris & Heckscher and J. H. Barnes, Philadelphia	5,376 39
	$16,568 85

In all, $16,568.85 for expenses, because Canada, forsooth, is borrowing $15,000,000.

[Mr. McKenzie.]

Canada, with all the machinery and all the credit of the Government, with all the banks that ought to be and that are willing to lend us money, has to spend in New York and elsewhere $16,568.85 in order to borrow $15,000,000, which, to the Canadian Government and to this country, ought to be a very small transaction. But this is the record handed out to this country by the Government itself through the leader of the Government in the Senate.

There is a second loan:

7 per cent twenty year sinking fund bonds, guaranteed by the Dominion Government, $25,000,000. Dated December 1, 1920; matures December 1, 1940. Issued through Dillon, Read & Co., New York. Price to Railway Co., 96.20.

Then again is displayed to the world how strong a country we are when we do business in another person's name. You will sometimes find a defunct man, a bankrupt, who is no good, who cannot get his head above water, doing business in his wife's name. The Canadian people seem to be unable to do business in their own name and must do business through this old wife, the Mackenzie and Mann concern. Here they are with a credit of $96.20 on $100 they ought to be selling their securities at a premium. What is the result of this $25,000,000 loan? This netted to us, not to Mackenzie and Mann—they did not care what it brought; we must face the music and pay the piper—$24,050,000. No accounts have yet been rendered for expenses. Then there is another loan:

Grand Trunk Railway—

$25,000,000 twenty-year 7 per cent Sinking Fund Gold Debenture Bonds, at 94½ net, including commission and cost of distribution.

$25,000,000 at 94½	23,625,000 00
Less expenses	29,794 69
	$23,595,205 31

Expenses:

Cadwalader, Wiskersham & Taft, New York	$15,166 69
Larkin, Rathbone & Perry, New York	504 55
Mr. Miller Lash, Toronto	5,000 00

It seems to me that we have heard the name "Lash" before in connection with unprofitable transactions for the Canadian people:

The Evening Post Job Printing office, New York	$ 708 45
British American Bank Note Company, Ottawa	8,415 00
	$29,794 69

Then there is another loan to the same company:

$12,000,000 fifteen-year 6½ per cent Equipment Trust Certificates, on Philadelphia plan, price 91.65.

Of course, the longer we continue to do business in our wife's name, the worse our credit gets. It is now down to $91.65 on the $100. The expenses are not given; the bills are not sent in; but we must suppose that they will be, at all events, proportionately the same expenses as in the other case. I work it out roughly that our expenses in this connection are nearly $57,000. If that is a sample of the way in which the finances of this country are looked after, it is loud notice to the people of Canada that we cannot any longer leave our business in the hands of the present firm, that is, this Government, and that we must serve notice upon our esteemed friend the Minister of Finance (Sir Henry Drayton) that we will give him three months' notice; that he must look for a job somewhere else and find somebody else who is doing business in his wife's name, as we propose to do business in our own name henceforward.

I happened to notice some loans going through in the province of Nova Scotia just about the same time that those loans are reported to have gone through in connection with the Government of Canada at Ottawa. One would suppose that the credit of the whole of Canada should be very much better than the credit of the little province of Nova Scotia, but such is not the case. I hold in my hand a letter from the Deputy Provincial Secretary of Nova Scotia under date of Halifax, March 12, 1921. I saw in the newspapers something about their loans; I did not know exactly how they worked out, and I wrote to the Deputy Provincial Secretary to ask him how their loans sold. He tells me that there is one loan, $2,500,000, five-year, 6 per cent, which sold a premium of $1.19; that is, it sold at $101.19 per $100, whereas we are selling at $91.65 up to $96.20, which seems to be the best we can get. On the 5th November, 1920, the province of Nova Scotia sold bonds for another $2,000,000, a ten-year, 6 per cent loan, at $102.02. That is business. On the one hand you have the little province of Nova Scotia with a population of only 500,000 people or thereabouts handling its provincial business, and on the other you have the Dominion of Canada with its great wealth. The people of Nova Scotia go into the open money market of the world, the city of New York or elsewhere and they present the securities of that little province. The Canadian people, doing business in their wife's name, present the security of the big people of Canada and the wealth of this nation. The monied people in New York will buy the little bond of the province of Nova Scotia at $102.02 in the one case and at $101.19 in the other. Our brilliant friend, the Minister of Finance, goes down to New York with his hat in his hand. Of course, he has to tell the monied men there at once, for he is an honest man and he would not deceive them, that he is a bankrupt himself, but that his wife is all right and he is doing business in his wife's name. He presents his security. They say: "We do not like that kind of business; we do not need to do business with a bankrupt, a man who has failed and who must do business in somebody else's name. If we take your bond at all, Mr. Minister of Finance, it will be with a big slice off it. If you care to accept $91.65 for your bond, we will buy it. We are not anxious for the business at all." They told him "you must take Canadian funds; we will not give you good American money for it," and the Minister of Finance had to say: "I have been hawking these bonds all over from Dan to Beersheba, and I must sell them somewhere. Take them; it is the best I can do."

Sir HENRY DRAYTON: Does my hon. friend say that it is a fact that the payment was in Canadian funds?

Mr. McKENZIE: I want to be absolutely honest with the minister. Somebody suggested that to me. It is bad enough for my purposes, whichever way it is.

Sir HENRY DRAYTON: There is a good deal of difference between American funds and Canadian funds. Is the hon. gentleman quite sure that the quotations he makes as to New York loans are not, in the one case, in American funds, and in the other case, in Canadian funds?

Mr. McKENZIE: I am not at all particular as to the difference. I have the answers given by the colleague of my hon. friend, the leader of the Government in the Senate, and I regard those answers as sufficiently condemnatory of this Government as they stand, putting the very best possible construction upon them. If the Minister of Finance does not know the facts himself, his colleague will tell him.

Sir HENRY DRAYTON: If that is in the shape of a question, I do know. On the one hand, we have the American funds, the figures used here; on the other hand, the quotations as to Nova Scotia are in

Canadian funds. There is a difference of 15 points between them.

Mr. McKENZIE: As I said before, I am not going to do any cheese-paring with the minister. I say it is absolutely bad financing. It is a scandal on the credit of Canada, that with all our resources we should have to sell our securities at $91.25.

Sir HENRY DRAYTON: Does my hon. friend know that at these figures the credit of Canada stood higher than that of any other country in the world in the New York market?

Mr. McKENZIE: All I have to say is that the comparison is sufficient to bring out the negligent manner in which the business of this country is handled. Here we have a Canadian Government bond at 7 per cent, selling for $91.25, while the 6 per cent bond of the little province down by the sea sells at $102.02. That is my answer to the Minister of Finance, and I do not think there is any explanation that he can give that will restore his standing as a financier, and that will put the credit of this country, at all events in connection with this transaction, upon the high footing which it should have, and which we should always endeavour to maintain.

As I said before, I say again now, that the business of the country is badly handled; there are shortcomings and short-sightedness on every hand in the management of the country's business, but the most glaring piece of negligence and of want of judgment is in doing business in the name of this defunct and bankrupt concern. The people of Canada have too high a reputation and credit in the world to hide under the cover of a bankrupt institution of this kind. Does the Minister of Finance think that we do not suffer when we do business in the name of a concern that has no reputation in the financial world? For my part I cannot see the necessity or the wisdom or desirability of continuing to do business in this way, when we have our own name and our own reputation as a country to go upon, and when we have all the responsibilities in connection with this concern. Why not come out from under cover like a man and do business straightforwardly in the name of the Government, for the Government, and with the Government's money, depending on the people's credit and giving the advantage to the people of this country? I do sincerely trust that never again will any Senator or any member of this or any other House be obliged, when he has to tell the truth, to record a transaction of that kind in connection with the financial business of this country. I think that in connection with the Budget and the handling of the business affairs of this country, it is the duty of an Opposition member like myself, particularly when I have the record from the mouths of the Government themselves, to point out to this House and to the country the nature and character of these transactions, to warn the Government and the country, and to express the hope that the Government will profit by being told what they should be told, how badly they compare with other institutions of much less strength than themselves in the same country, and under the same flag.

I pass from this borrowing episode to say a word or two, now that railway matters have been brought up, upon our connection with the Canadian Northern. I do not hold the Minister of Finance individually responsible for the transactions as a result of which we became burdened with the Canadian Northern Railway, but I do hold the Government of which he is a member, and himself as a member of that Government, responsible for the ill-advised, arbitrary and injudicious manner in which they have plunged this country into an abyss of debt in connection with this railway. I tell him and hon. gentlemen opposite who were here at that time, and who know all about it, that we on this side of the House protested with all our vigour and brought forward all the arguments that could be adduced against taking over this road and burdening the country with that debt; but we were laughed at. Hon. gentlemen on the benches opposite thought it was great sport to see us voted down by the force of numbers on the other side, and with glee, as if they were doing something grand for the Canadian people, they grasped to their hearts this awful holocaust which was forced upon them by Mackenzie and Mann, and their associates. The people of Canada have got this railway now and there is not such a laugh over it as there was at the time it was taken over, when hon. gentlemen opposite were in such a gleeful mood over the fact that they were voting down the Liberals. This nightmare is now upon the shoulders of the people of this country. They told us at the time that the road required a complement, that the Canadian Northern was not paying, that the Grand Trunk Pacific was not paying, that the Transcontinental was not paying, and that they could not pay until they found an abundant avenue of strength and wealth

in the shape of the Grand Trunk Railway, which they were going to splice on to these other roads. In the expiring days of a second session in the year 1919 this road was also forced upon us. We thought that probably we were mistaken and that possibly some profit might accrue from the taking over of these roads. But what do we find to-day? Instead of a profit, the loss is greater on the other roads, and we have a deficit of $25,000,000 in connection with this bonanza which was going to put us on our feet. Is that good business? Is it any credit to the Government or those supporting the Government? The Government, heedless of reason or argument, forced the thing upon the House and upon the country and now the Canadian people must make the best of a bad situation.

We have poured out money like water in Canada to open up avenues at Montreal, Quebec, Halifax, St. John, and elsewhere to provide eastern outlets to the Atlantic for the wealth of the country, so that we might increase our own business. I do not begrude the money that has been spent in that way. We have deeped the river St. Lawrence, provided facilities at Halifax, Montreal, and St. John, and altogether we have spent large sums of money for the purpose of doing business on our own ground. Sane people would urge that we direct the traffic of the country to these avenues, via the river St. Lawrence in the summer, and, when that river is closed, through the other ports that have been equipped for the purpose. According to the first figures given, we have spent $35,000,000 to fix up the terminals at Halifax, and probably double that expenditure at the harbour of St. John, on which we have expended large sums from time to time. All this money, Mr. Speaker, we are practically throwing to the winds, and we are buying an outlet for our Canadian produce at Portland in a foreign country. Is there anything more unsound than that? What are we going to do with that terminal? No one on the other side has yet admitted that we are going to do business at Portland. Hon. gentlemen try to escape responsibility in the matter, but if they are not going to do business at Portland, what are the terminals for? Why are we about to pay money for this outlet if it is not to be utilized? Are we going to close it and let the money go to waste? The idea of buying a road to Portland is entirely opposed to every sound business principle from the standpoint of true Canadianism, and I charge the Government with having wasted the money of this country. After having expended large sums on the river St. Lawrence, and at Halifax, St. John, and elsewhere, these expenditures will have been utterly futile if we are to switch our business off to some foreign port.

I submit, Mr. Speaker, that our railway business is poorly managed; we are losing money every day and the prospects are becoming increasingly worse. I am advised that, so far as western traffic is concerned, our railways are a laughing stock and a discredit to the Government and those responsible for their management. I was informed to-day by a responsible western man that nobody bothers with the Canadian National Railways, because they do not handle business properly and cannot be relied upon. People cannot afford to do business with them and consequently traffic is passing into the hands of the Canadian Pacific Railway, who manage their affairs properly and in an up-to-date manner. This, Sir, is not gossip; it came to me just this afternoon from a responsible public man of the West who declared that, as a good business man, he had to give up doing business with the Canadian National Railways because he could not wait for them, and they had no system in their management. He was obliged to go where he could get business properly handled. This seems to me to be conclusive evidence that government-owned railways are not capable of competing with privately-owned roads; and if we want proper enterprise in this country, if we want to have our business well attended to, we must have proper regulations and restrictions in our management of the railways, and must see that no advantage is taken of the people. Private enterprise and private ambition and foresight are, after all, the best guarantees of proper management. There is nothing about the western government management but slipshod indifference; we have only half dead, half alive men who have neither the ambition nor the desire to secure business and promote the welfare of the concern for which they are responsible. They have not the some enterprise, initiative and interest in the business as private owners and managers would have, and consequently they fail to get the prize when it is in sight.

That is all I intended to say in regard to the borrowing of the Government, and the way in which they are handling the railway business. There is a great desire on the part of the Government to draw us into an open fight in connection with the

tariff, questions of policy, and that sort of thing. Let me assure the Minister of Finance, that there are greater things before the minds of the Canadian people today than the question as to whether the tariff is high or low. When the people consider the fact that the country is being ruined by mismanagement on the part of the Government, when they come to talk about the building of ships, and the continuance of the insane policy of literally throwing money into the sea, their nerves are strung more highly, and their passions are more strongly roused, than they can be by any question as to whether we have an old tariff or a new. We have not had in Canada any great upheaval in connection with the tariff since the year 1878. There have been changes up and down, but whichever Government has been in power, there has been no startling upheaval one way or the other; and I suppose that, whichever party comes into power after the next election, the necessities of the people and the vested rights of interest, will have to be considered carefully, judiciously and wisely, as they have been in the past. I say, Sir, that the people of this country are not so much concerned about the battle of the tariff as the Minister of Finance and his Government may think. But they are greatly concerned about other things.

We were told last night that the superintendent of shipping for the Canadian Pacific Railway, Mr. Bosworth, delivered an address at Vancouver the other day, in the course of which he said that they can buy first-class ships, built last year, at the rate of $50 per ton. Now I take it for granted that the superintendent of shipping for the Canadian Pacific Railway knows what he is talking about. He is a business man, he is in the public eye, the glare of public opinion is upon him as well as upon every other high official in the service of that institution—I take it that he would not assume the responsibility of saying that he could buy ships at $50 a ton if that were not the case. However, the statement was made in this chamber last night and nobody seems to have taken exception to it. If that is the case, Mr. Speaker, what is happening here? Under the force of closure this session the Minister of Marine, and the Government behind him, forced through the House a vote of $20,000,000 to be used in the building of ships at the price of $191.98 a dead weight ton. Those are the figures that the minister gave us in the early stages of the session. I ask again, what is happening? That practically seventy-five per cent of that money is being lost when it is converted into ships. That is, you build a ship that is costing you practically $200 a ton and when you put it into the market, according to the statement of the authority that I have referred to, you only get $50 a ton for that ship. And here we are voting millions for the purpose of continuing such a policy. We have voted $20,000,000 to build ships at a price of practically $200 a ton for which we would only get $50 a ton if we came to sell them. Those are the things which come home to the minds, the hearts, and the purses of the people of this country, and about which they are more concerned than whether the duty will be twenty-five or thirty per cent on a pair of boots. Those are the things that impress the people of this country. Upon such issues we invite battle and will meet the Government, and we are not to be side-tracked into a fight purely on tariff lines. Our hon. friends opposite can battle among themselves to their hearts content; we will fight them on the tariff and on bigger things as well, and we will give the people of Canada an opportunity of passing judgment upon this Administration and the hon. gentlemen who support it. No wonder the Government is desirous of fighting simply on the tariff issue. It wants to draft its own indictment. It wants to select its own judge to preside at the trial, and to draw and empanel its own jury, so that the whole thing will be in its own hands. Let me tell you, Mr. Speaker, that the jury are now ready "to come in" as they say in the courts. In this case their verdict is "guilty" and as one says, so say they all. Now we are not going to allow the Minister of Finance to draw his own indictment—it would be defective, and bad, and should be set aside. We are not going to give him his own judge or his own jury; he must squarely face the issue before the people of this country and give a real account of "the deeds done in the body" whether they be good or whether they be evil—and evil they continuously are in this case.

Mr. LEMIEUX: Ten years in the penitentiary.

Mr. McKENZIE: I would be glad to give them a ticket of leave myself. Now those are some of the things that should be discussed by the people of this country. Let me say this further on the question of the tariff, and I want the Minister of Finance to listen to me seriously. The real authors of what is regarded as the National Policy in this country were the late Sir John A.

Macdonald and the late Sir Charles Tupper, and their speeches are still on record with respect to that policy. What did Sir John A. Macdonald say about protection? He said: It is not our idea that goods will be dearer. Our idea will be that the goods will be manufactured in our own country, and that local competition between the manufacturers in this country will keep prices at a proper level. That was the idea of Sir John A. Macdonald in connection with the so-called policy of protection. He was not a protectionist; he adopted protection for the purpose, as he thought, of forcing America into reciprocity. That was his idea, although later on he gave a little more adhesion to the principle of protection. If what was in the mind of that great statesman had panned out it would not be so bad. If the price of shoes would be just as low in Canada as in the United States, and the only effect on the tariff was to keep out the American shoe, and by competition keep down the price in this country it would not be so bad. But that is not what is happening; and I want to bring it home to the minister—and I say it on my responsibility as a member of this House—that there is no honest competition in trade in this country at all. There are combines in everything—combines in shoes, combines in rubber boots, combines in every single earthly thing you can think of from the food on the table to what you wear on your person; and no grocer in Canada to-day is permitted to sell a pound of tea, a pound of candy, or a pound of butter except in accordance with the price of the combines.

9 p.m.

Sir HENRY DRAYTON: I wonder if my hon. friend is aware that the Government of Ontario—in whose hands the administration of the law is—entered an indictment against a so-called grocers' combine in Ontario and that judgment in the case is reserved? I wonder too if my hon. friend could tell me whether the Government of Nova Scotia has taken similar proceedings against the combine he has been speaking about in the steel industry?

Mr. McKENZIE: I am not talking about any particular combine.

Some hon. MEMBERS: Oh, oh.

Mr. MACLEAN (York): Hear, hear.

Mr. McKENZIE: The cackling of geese saved Rome, but I do not know whether the cackling of my hon. friends opposite will save the present Government. All I have to say is this: I do not look to the municipal councils, or to the local governments, for the administration of the law governing matters of this kind. We have a federal law dealing with trusts and combines—but perhaps my hon. friends opposite repealed that law.

An hon. MEMBER: Of course, they did.

Mr. McKENZIE: Well, worse and worse and more of it. We have a law dealing with combines which was passed during the reign of Sir Wilfrid Laurier. It was a good law, but I am sorry to find that it has been repealed. During the war we were told that anybody could lay information before a magistrate in the town of North Sydney against this steel trust to which reference has been made. Could anything be more absurd than to imagine that any man is going to bear the burden of carrying through the various courts a case against a combine, with the support of all the other combines in the land behind it, and nothing on the other side but an ordinary man who found that he was charged too much for a pair of boots, a keg of nails, or something else he bought from that combine? The best legal talent of the land would be arrayed against him, and counsel's fees would be running up into so many hundreds of thousands of dollars that the poor man would be frightened out of his boots and would get in a hole as quick as he could, thankful that he had saved his life.

I thank my good friend from York, Mr. Maclean—pardon me for mentioning his name, but I wish to show him my appreciation—for standing up in this House and stating that there should be a public prosecutor to deal with these cases. I agree with him. Until that is done and the Government have a secret service from one end of the country to the other, and the combines realize that there is power behind the prosecutor, we will have the governing of prices just to suit these combines and trusts. What can be more ridiculous, Mr. Speaker, than that in my home town a grocer cannot sell a pound of tea or butter or a keg of nails except according to schedule prices? And those prices are the same all over the country. If that grocer undertakes to sell a little cheaper he is immediately advised: "Nobody will sell to you. You can sell what you have on hand, but that is the end of you."

Unfortunately, there is no machinery to look after conditions of this kind. We

had the late lamented Board of Commerce. Perhaps it was not as successful as it might have been, but that was because it had no sympathy or support from this Government. It was like a baby which the mother refuses to feed and keep clean; that baby would soon die. That is what happened to this baby of the Government. They would not countenance it at all; it was a sort of illegitimate child that nobody would acknowledge. What is the result? The "combinster," the profiteer, the darling of this Government, has full sway again now that this infant which he feared might grow up and usurp his power is dead. And the Government says to its darling: "Don't be concerned; we knew it would die. Now be happy and contented, for we have carried out our promise to you. We were always behind you, and we will continue to be behind you, and you will have things absolutely your own way, except of course that, for appearance sake, we must ask the attorneys general in some of the provinces to do something, but we know there is nothing they can do." I bring this charge home to the Government that we have combines in this country. And I assert that the central Government is the proper authority to look after them, and if it has not the power it should obtain the necessary power from this Parliament, and so assure the people that these combines cannot continue to oppress them with impunuty.

We heard a splendid speech from the hon. member for Dundas (Mr. Casselman) the other night in which he claimed all the virtues for this Government—that there was nothing wrong with it and that it was entirely clear of scandal. While he was speaking I was thinking of certain procedure that we come across in the courts once in a while, when a particular class of people are being tried and the clerk of the court asks for their record. I remember one fellow who was asked, "What sort of record have you?" And he said, "Well, I don't take snuff, but you can charge me with everything else." That is about the situation of this Government. I do not know that they are very great "snuffers," but if there is any other crime in the calendar that they are not guilty of I know nothing about it. The member for Dundas claimed that there was nothing to be said against this Government. Well, the Minister of Finance was not in the House at the time, but it was while the right hon. gentleman, now member for King's, N.S. (Sir Robert Borden) was leading his Government that two men were read out of the House for grafting in connection with war supplies. Possibly my hon. friend never heard of it, but there are scores of members on both sides of the House who are aware that for stealing public money in connection with the purchase of remounts and of medicine for our soldiers two members from among hon. gentlemen of the other side were driven out of the House by the then Prime Minister. Yet we have members who will stand up and say that there is no scandal against this Government or anybody belonging to it. There is nothing that could be mentioned in connection with war supplies, such as binoculars, boots and shoes, medicine, horses, guns and munitions that were not directly or indirectly the subject of scandal by hon. gentlemen on the other side of the House; but the good innocent peace-loving gentleman from Dundas in the simplicity of his heart says that the Government is absolutely immaculate and there is nothing wrong with it. I will do him the credit for saying that the scandals I have referred to happened in 1914, 1915 and 1916 when possibly he was not a member. I have an idea that he came into this House in 1917, and therefore possibly he is innocent of any knowledge of those scandals. But he will not sin any more, I am sure, in claiming all the virtues, at all events for his friends of the old days.

Now, I think the Administration should give the people a chance to live, and see to it that combines shall be powerless to take advantage of them. I am sorry that we have only one minister present, and that therefore I cannot very well submit to him questions that do not appertain to his department, but I wish to put my case on record so that possibly the day may come when some notice will be taken of these matters. It is put up to us, Mr. Speaker, that we do not look after our part of the country, that we are not so solicitous about getting contracts from the Government for rails and coal for our national railways as we should be, and that as a result our people are suffering from the negligence of the Government or of their representatives.

I submit that there should be a fair share of national feeling in this country, and that even if our coal is to-day slightly dearer than the product of a foreign country, other things being taken into consideration, we should give our own product the preference. I do not know that I can better express the idea I have in

mind than by reading a letter—not an imaginary one this time, but a communication which I addressed to the president of the Canadian National Railways on August 9, 1919. This letter will be found among the records of the president of the road, and that which I shall read is an exact copy. He was then refusing to buy our coal and our steel, being on the lookout all the while for lower prices. I do not blame him; he was trying to do business the best way he could, but I wanted to convince him that something more than hard and fast business was to be taken into consideration; that regard should be had to our national undertakings and to the welfare of the men who abandoned their work in order that they might defend our country in the trenches at the front. The letter was as follows:

I have your recent letter and that of your assistant, Mr. Vaughan, and note the reasons given why further or increased orders cannot, in your judgment, be given to the coal mines of the counties of Cape Breton and Inverness. The reasons to me are not sufficient or satisfactory in view of the conditions which have brought about the present situation in the counties of Cape Breton and Inverness.

You will at once realize the soundness of the principle that the nation should together share the burdens, responsibilities and consequential effects and results of the recent war. That being admitted, the rest of Canada should share with the county of Cape Breton and county of Inverness the natural results of the frightful war that so recently and so successfully to the Allies has been brought to a close.

Present conditions in the counties of Cape Breton and Inverness are attributable entirely to war conditions, war demands and war necessities. In the first place, when war was declared thousands of the loyal and sturdy miners in the counties of Cape Breton and Inverness threw down their tools and in the shortest possible time found their way to the trenches in France and Flanders where they valiantly fought till the very last shot was fired and the glorious victory won.

By reason of those qualified, trained and efficient miners being withdrawn from the production of coal, the output fell most materially and the companies operating the Cape Breton county and Inverness county mines could not fill the contracts into which they had entered before war was declared. Consequently they lost these customers who had to look elsewhere, across the border in many cases, for their coal supplies.

In the second place, the fleet of steamers which was in the service of the companies operating in the county of Cape Breton conveying coal to the ports of Montreal, Quebec and other ports on the St. Lawrence River and other parts of the world was commandeered by the King's authority for purposes of war, thus rendering the coal companies above mentioned absolutely helpless in carrying out their engagements for the supplying of coal where their largest contracts were made, and where for many years the major part of their output was sold. This again caused a most serious loss of custom and rendered it necessary for those who in the past purchased Cape Breton coal to look elsewhere and in most cases to the American coal mines for their necessary supplies. In that way the Cape Breton mines have lost their hold on the Canadian market.

And now that these brave soldiers who had gone to the front are back and willing to work, although many of them will never be back, having sacrificed their lives in the interest of their country,—those who have returned are anxious and willing to work but there is no market for the coal; consequently the men cannot get work and they and their families are suffering privations and becoming the victims of conditions that men of their standing should not suffer nor fear.

I must with all respect, and yet with insistency, impress upon you the necessity of coming to the assistance of these men by purchasing the article which they produce, whether or not it may be more expensive than the same article imported from a foreign country.

As I stated above, this is not only a national question but it is also an Imperial one, as the conditions which now exist in the counties of Cape Breton and Inverness were brought about as above stated, not only in the interest of our own nation, but in the interest of the Empire and the Allies at large.

When you will look at your letter to me, I think you will realize that in the light of the foregoing facts the reasons you give for not buying more of our coal do not measure up to the gravity of the situation involved.

I am sending a copy of this letter to the Prime Minister, the Right Honourable Sir Robert L. Borden, G.C.M.G., and I trust that he will be of assistance to you in bringing about better conditions among the deserving and worthy miners in the counties of Cape Breton and Inverness.

Yours sincerely,

(Sgd) D. D. McKENZIE.

Sir HENRY DRAYTON: May I ask my hon. friend a question? I take it from the correspondence that the price of local coal was higher than that of the imported product. Am I right?

Mr. McKENZIE: It was contended that American coal was cheaper.

Sir HENRY DRAYTON: Does the hon. gentleman think that the American coal should not be allowed in; or does he think that the higher price ought to be paid for the Canadian coal?

Mr. McKENZIE: I say that before the war we were not beholden to anybody; we had the market and we were able to supply it. But our ships were taken from us and our men volunteered for service overseas; therefore it now devolves upon the nation to do all it can to help these people to get on their feet again until they get their ships back and regain control of the markets, even if the coal cost the nation more than a similar product from across the line. That is what I say, and that is what I contended for then.

Sir HENRY DRAYTON: If the hon. gentleman will permit me—he has asked

me to take the matter up with the Cabinet. I intend to do it, and of course I want to understand his case. I understand his case to be that as a result of the war the coal mine operators of Nova Scotia have lost their markets and that those markets are now occupied by the output of American collieries. What I want to find out from my hon. friend is this: does he desire that the markets should be conserved for the Canadian coal, or does he desire that we should pay a premium price to the Canadian coal mine operators? If the latter, how much does he say that premium price should be?

Mr. McKENZIE: During the war, Mr. Speaker, we had a system of fuel control under which it was not open to the mine operator to sell his coal at whatever price he pleased. The fuel controller went fully into the figures; he ascertained what it was costing to produce the coal, and he fixed a price and said: You must sell your coal to the national railways at this figure. Now, it was quite possible that the Government could get coal at a price even lower than that fixed by the fuel controller, but we contended that in order to maintain our men, in order to enable the returned soldier to work who was willing to do so—who was only looking for an opportunity to swing his pick as he did before he went overseas—we contended that the people in Ontario, Manitoba and the other parts of Canada should be willing to suffer a slight disadvantage in the price of coal. That is what we are after, and if it is necessary to give a little higher price, I say: give a little higher price; let the officers and the experts of the Government in connection with coal fix what that price should be within fair lmits, and let the preference be given to Canadian coal and steel as against the coal and steel of foreigners who have a bigger market, bigger capital and bigger production than we have. I am bound to mention that not only were the ships of those Canadian companies taken away, but they were kept for a year or eighteen months after the war was over. Just when the war was over, they were sent off to Australia and they were kept away from us, because they had been hired out to other companies at a low rate, and at that time the charterers could get higher rates elsewhere and they sent them off. Our companies were obliged to bring suits in the Supreme Court in England in order to get an order to compel those other companies to give us back our ships, and after the cases were tried, we got our ships. During all this time, however, we were absolutely helpless; we could not get a pound of coal up the St. Lawrence while American coal poured in in every direction, capturing our market. The result was that we had to start all over again as if we were beginning to mine coal for the first time in our lives, having to make new connections because our old customers had gone. We are now making splendid progress, and with some sympathetic support from the Government and the Government railways in connection with steel rails and coal, we shall be able to get on our feet again. When we are on our feet and in a position to hold our own, we should be able to fight our battle without looking for any particular favour from the Government or any one else, except that I always take the stand, that from the national standpoint in the purchase of such national commodities as steel and coal, which are the very backbone and basic foundation of the wealth of any nation, and particularly of our nation, the national Government and the national industries should give preference to the national product as against that of another country. I take that position and I think it can be very well maintained. Although our coal may be a few cents higher in price, when you consider that our railroads will be carrying our own goods, and that directly and indirectly it is to the advantage of our own people that the Government and the Government railways should use our own coal, it will pay the Government to give the preference to the product of their own country. If they buy coal from the American, he gets his money, he puts it in his pocket, and he goes out of the country. Further than that he has no truck nor trade with my hon. friend. But if they buy coal from a Canadian, he gets the money and it goes from one hand to another, building up the trade and industry of the country and supporting the families of the Canadian people. That is the true national policy. I do not know whether some people would agree with it or not; but I break away from every tie when I have thousands of sturdy, strong men who threw down their picks and went to the war, and who on their return, find their families requiring their support while their pay from the war is stopped. I would like to see anyone who would stop me from trying to help them.

That is the position in which I am now in connection with those men.

Sir HENRY DRAYTON: I had rather thought that my hon. friend was accusing me of being a friend of the big interests. He seems now to be scolding me because I am an enemy of the big interests. In which capacity does he wish me to take up this question of coal and steel?

Mr. McKENZIE: It is not the big interests in connection with coal and steel that are worrying me at all; it is the thousands and tens of thousands of men and women who must get the bite that goes into their mouths from what they earn from those interests. Those are the people about whom I am concerned, and incidentally, of course, benefits will come to capital, because we must not kill the goose that lays the golden egg. That is the position. The big interests are, as a rule, able to look after themselves; they usually have some money, and they can afford to bide their time until the psychological moment. The man who has five or six little ones waiting for what their father brings home to pay for their breakfast, cannot afford to wait. Those are the people about whom I am concerned and whom I would like to see the Government help. If I had written that letter to-day, the minister might have said that I was trying to make a case; but that letter was written in August, 1918. It gave my views then and it gives my views now. I am pleased that the minister has given me such a sympathetic hearing, and after all, I am beginning to believe that he has some touch of humanity and human kindness. Nevertheless, there is the fact that, in the earlier part of the evening, I charged him truthfully with holding up a litlte boy who was carrying home a 25-pound bag of flour, until he paid tribute to Cæsar, and the minister was Cæsar himself. I am willing to modify that to some extent provided that some good results will come from the discussion that we have had this evening.

I hope that, by some accident or otherwise, the Minister of Railways and Canals (Mr. Reid) when he comes back to the House, will read the few words that I am now going to say. I represent one of the oldest constituencies in Canada. The county of Victoria is as old and as well civilized a district as any on the continent of North America. The shores of Cabot strait, of which we have all heard, are in my county, and Cabot is supposed to have landed at a place called Cape North in my county. Settlers came to that district in times far back, and they have been living in and developing the county of Victoria. The shores of Cabot strait, of which I speak, are 125 miles from the nearest railway. One would hardly believe that during all those years, there has been in the county of Victoria a settlement 125 miles from the nearest railway. Ever since I came into this House, in Opposition or as supporting a government, I have been trying to get railway facilities for those good, honest people. My one earnest desire before I leave public life is to see to it, if I can, that those people are brought into touch with outside civilization by means of a railway. I came very near by objective, because in 1911 we got a vote to start this railway; a contract was let, and the work was practically under way when, unfortunately for us, a change of Government took place and everything went up in the air. Three railways were about to be built in Nova Scotia at that time, one in Halifax county, one in Guysborough county and one in my county. The then Prime Minister, I am sorry to say, built his own road in Halifax county; but like the man in the dream in olden days, he remembered not Joseph when he was in favour with the king. He did not build the Guysborough road, and he did not build my road. That part of the country has an abundance of fish; it is the most magnificent fishing ground in the world; there are also large quantities of pulpwood, which is now beginning to be very valuable; it is also a splendid agricultural country; but it has no railway, and I do hope that before very long something will be done to supply this great need. I am sure the road would not be a drag or deadweight if it was once built.

I am going to bring to the minister's attention what took place in the House in 1918 in connection with this matter. I have in my hand the journals of the House for 1919, and at page 97 I read this:

> The House resumed the adjourned Debate on the proposed Resolution of Mr. McKenzie,—whereas on the 16th of March, A.D., 1914, this Honourable House passed the following Resolution which was accepted by the Government.

You will note that the resolution in connection with the road was accepted by this Government, not by the Laurier Government.

> Mr. McKenzie moved that, in the opinion of this House, the time has arrived for the extension of the Intercolonial Railway into the non-railway sections of the Maritime Provinces within reasonable range of the said railway.

That was the resolution that had already been accepted by the Government in 1914. Then on October 14, 1919, the Government accepted this resolution.

Be it therefore resolved that, in the opinion of this House, the proposals of the said Resolution of the 16th of March, A.D., 1914, should be carried forward to completion at the earliest possible date.

And the question being put on the said motion; it was resolved in the affirmative.

The proposition for building this railway has therefore been twice accepted by the Government, in 1914, and again in 1919. I submit to you, Mr. Speaker, and to the House that there is no public undertaking in Canada in the same position as this road into the county of Victoria. The contract was let and the road practically started by a former government. In March, 1914, this House led by the right hon. the present member for King's (Sir Robert Borden) accepted my proposition that this road should be built. In 1919 I brought the matter up again, and the Government again renewed and accepted the proposition of 1914. It stands on the records of this House as having been accepted by the Government as a necessary and desirable undertaking to assume. I have already pointed out to you the splendid natural advantages of that section of the country; we have splendid fishermen, splendid farmers, capable men, but they are under the tremendous disadvantage of being such a distance from a railway. As the Government have already twice accepted this proposition, in 1914, and again in 1919, it is not surprising, Mr. Speaker, that I should take advantage of this opportunity of bringing this matter to the notice of this Administration in connection with other matters.

Mr. Speaker, I have taken more of the time of the House than I expected, but some of the things I have brought to the notice of the House, particularly in the latter part of my speech, are of such great concern to the people I represent that I felt it was my duty to do so, and to tell the Government that this railway in Victoria county is a business proposition, that it is in the interests of the county to undertake. We find no fault with the development of the West, with its railway building and settlement for the purpose of getting the advantages which these progressive movements will bring. Are we going to say to the descendants of the man who nearly two hundred years ago settled on the shores of Victoria county, and who, axe in hand, started to cut down the trees and make a home for himself, and whose descendants to the third and fourth and fifth generation have lived on these shores, honest, straightforward, God-fearing, law-abiding citizens—are we going to say to them that they are not entitled to the same privileges that are accorded to the men in the West, in the Centre, and in the East of this country? I would be lax in my duty if I did not bring to the notice of the minister a good businesss proposition such as this, a proposition that has enough humanity in it and enough promise of national development to deserve the consideration of the Government and of the Minister of Finance. I have brought this matter to the attention of the Minister of Finance, in the hope that he may bring it before the Minister of Railways, and, of course, the record is there in the Journals of this House to speak for itself.

I have pointed out the sins of ommission and the sins of commission on the part of the Government. Having done all these things, I think that the responsibility of doing better in the future in connection with the ordinary business of the country, as well as in this special business that concerns the county I have the honour to represent, falls absolutely upon the shoulders of the Minister of Finance himself, and he will have no excuse in the last day unless he does what is right in connection with this matter. I conclude with the hope that he, and the Government of which he is a member, will, during the short time at their disposal, do better in the future than they have done in the past.

Mr. G. B. NICHOLSON (East Algoma): Mr. Speaker, in rising to occupy the time of the House for a very short time in this debate, I do so almost exclusively for one specific purpose, and that is to draw the attention of the House for a few moments to that part of the Budget statement referring to the obligations of the country in connection with the Canadian National Railways. I want first, however, to refer briefly to just one or two statements made by the hon. member for North Cape Breton and Victoria (Mr. McKenzie), who has just preceded me, and incidentally I might say that in the main they have reference in one way or another to the whole railway question.

I would refer first to his statement in regard to the floatation of Canadian National Railway bonds in the city of New York, to which transaction he took very

strong exception, and upon which he made some very definite statements. One was to the effect that while the province of Nova Scotia could float its bonds in New York at 102, the Canadian National Railways, or, as he said, the partner of the Government, were floating their bonds at 91, 95 and 96. The facts are these. The province of Nova Scotia floated its bonds at 102 payable in Canadian funds in New York, which meant to the province of Nova Scotia 87 cents on the dollar. The Canadian National Railways, having to liquidate a block of bonds falling due in the city of London, bonds that were issued years ago when the Canadian Northern Railway was financing and operating its own business, went to the city of New York and floated these bonds at 91, 95 and 96, not in Canadian funds, but in New York exchange against London exchange, and thereby saved to the people of Canada, through the National Railways, the sum of $6,000,000. In other words, for bonds at par, sufficient to retire the bonds that will mature in London in the month of August this year, the Canadian National Railways sold a block of bonds which they had in their treasury, guaranteed by the Dominion of Canada, at a sum that just simply reduced the liability by $6,000,000. And that is the transaction to which my hon. friend takes such direct exception, and for which he so roundly condemns the Minister of Finance.

The hon. member, speaking with regard to the Canadian Government Merchant Marine, referred to a statement made by Mr. Bosworth in the city of Vancouver, that it was possible to buy shipping at the present time on a gross ton basis of $50 per ton. He did not tell us, at the same time, that the Canadian Pacific Railway, just as the Canadian Government, have ships on the stocks under construction, which will be completed this year, costing them very close to $200 per ton, the Canadian Pacific Railway having entered into these contracts at a time when the price of shipping in all parts of the world was at that figure. The fact that tonnage has now gone down does not relieve the Canadian Pacific Railway, however, of their obligations in connection with these contracts, any more than it relieves the Government of theirs.

Mr. DuTREMBLAY: Are they the same kind of ships?

Mr. NICHOLSON: Steel ships. Now, one other matter to which I wish to refer is the right-about-face which my hon. friend took on the subject of trusts, in an effort to make a case against the Government. The hon. gentleman said that in the city of Sydney, I think, or at all events in his own city, there was a steel and coal trust, who were squeezing the very life out of the Canadian people by the extortionate prices they were charging for their goods. In the very next breath, however, he tries to make a case against the Government because they had not forced the Canadian National Railways to pay this trust a price for its goods higher than the price at which they could buy the same goods in other places. But that is on a par with the hon. gentleman's arguments with regard to the management of the Canadian National railways. He condemns the Canadian National Railways for not adopting business management, and then he immediately turns round and censures them because they do not pay any attention the importunities of a member of Parliament to buy goods in his constituency when they can buy the like goods at a less price in other parts of the country.

The hon. gentleman bases a very plausible case on the fact that there are men in the city of Sydney who are out of employment. Well, there are men out of employment in Ottawa, in Montreal, in Toronto, in Winnipeg, in Vancouver,—men who could be put to work building locomotives and cars, laying tracks and building bridges, and doing works of this kind for the Canadian National Railways, if the Government would furnish the money to meet exorbitant rates. Would it be good business management on the part of the Canadian National Railways to embark on a policy of that kind? If the efforts of the hon. member for North Cape Breton and Victoria can influence the management of the Canadian National railways in any one case, where will it end?

My hon. friend made the statement that it matters not how hard the Government may try—I think these were his words—"we are not going to be drawn into a contest on the tariff." He says: "We will fight you on shipping, we will fight you on the railway question, we will fight you on anything else; but we had a convention in the city of Ottawa in 1919, and we drew up a platform and laid down a set of political principles which we claim to be identical with those of our friends immediately alongside of us, and you cannot draw us into a political contest on that platform; nothing doing. We are going to get away

from that platform,"—just as the hon. member for Shelburne and Queen's got away from it by moving the amendment which he proposed to the resolution to the Minister of Finance.

The hon. member found fault because the Government of Canada had granted credits to European countries to enable them to buy Canadian goods. Let me express my personal opinion on that subject. I think that if it were possible for Canada to continue granting credits to European countries to enable us to sell our goods to those countries, Canada would not be passing through the period of depression which she is experiencing at the present time. As I say, that is merely my own opinion. The hon. member said that if it had not been for these credits, and for the fact that thereby an avenue had been opened up through which Canada could export pork, beef, butter, cheese, etc., the prices of these commodities would have been depressed down to a point that would have made it very much easier for the Canadian people to buy these things. I wonder what my hon. friends of the Progressive party think of a policy of that kind. The hon. member would make it so difficult to export the surplus products of this country that those products would be dumped on the market in such volumes that the Canadian people could buy at prices below value. Now, that is a sample of my hon. friend's political opinions.

Coming to the theme upon which I wish particularly to address the House for a few moments, namely, the Canadian National railways, I desire to make, first of all, a brief statement by way of introduction. I believe I have the support of the House and of the country when I say that there is perhaps no more difficult question before the Canadian people to-day than the railway situation. I doubt whether there has ever been before this Parliament a civil question of greater difficulty or of a more complex character than the proper solution of the railway problem as it presents itself at the present moment. I am not going to go into the history of the railway question; I shall not refer to the way in which we got into this position. I do not believe we should get very far if we entered into any discussion of that kind. In my opinion, the only solution of the problem will be found in facing the situation as it is and in endeavouring if we can to find a solution for it. One of the things which, I think, are making it more difficult to solve the problem is the tendency throughout the country to exaggerate the real situation. I do not know of any matter that has ever been so manifestly misunderstood, and in connection with which there seemed to have been, on the part of some persons at least, so great a desire to misrepresent things and to create in the minds of the people the impression that the whole affair was absolutely insoluble—in other words, to break down the morale of the people on the whole question. Why that is I do not know, but as indicating the truth of this statement and the extent to which people go in that regard, I wish to quote some figures published in the Montreal Star of March 19, and issued by Mr. J. L. Payne, at one time statistician of the Railway Department. I have no idea what induced him to issue the statement he did. He may have issued it out of a desire to state the facts as they were before the people. But be that as it may, the statements are so exaggerated that one can only reach the conclusion that they were published with the intent of leading the public to believe the situation was something entirely foreign to what it is. Mr. Payne sets out that the total liability the people of Canada are carrying on account of the Canadian National Railways is $2,274,125,057, made up as follows:

Intercolonial	$563,000,000
Canadian Northern	624,000,000
Transcontinental	250,000,000
Grand Trunk Pacific	279,000,000
Grand Trunk Pacific branch lines	17,000,000
Grand Trunk Railway of Canada	464,000,000
Canadian Northern branch lines	10,000,000
Quebec and Saguenay	8,146,189
Quebec Bridge	22,000,000
Canadian Northern System	35,000,000

In order to arrive at these figures Mr Payne puts the original cost of the Intercolonial railway and its branches at $152,300,044 and he brought that up, on a compound interest basis, to the present figure of $563,218,701. Now, as I said a moment ago, if I can understand the figures at all, they were put forward with the object of leading the people of Canada to believe that they were carrying these obligations because of having launched on a system of publicly-owned railways. But let us look at the figures for a moment and when we do so we find that the liability on account of government-projected lines, the Intercolonial and the Transcontinental, amounts to $813,218,701 which if taken from Mr. Payne's total leaves $1,460,906,316. Carrying this calculation a little further we find that according to the last statistical report at present available, and prepared by Mr. Payne himself, the

bonuses granted to privately-owned railways amounted to $161,598,696, to which is to be added guarantees earned of $344,672,933, and the proceeds from the sale of 44,648,123 acres of land which, put at $2.25 per acre, gives $100,343,276 making a total of $606,504,905. Applying to these the same method of calculation as Mr. Payne applied to the Intercolonial, and compounding the interest afterwards, we find that it makes a total liability on account of subsidies to privately-owned railways of $2,426,019,620. Add this to the liabilities given by Mr. Payne himself on account of the Canadian Northern, and Grand Trunk and Grand Trunk Pacific railways and the grand total is $3,832,925,936 for which, on the basis of Mr. Payne's calculation, the people of Canada would be responsible on account of their direct assistance to privately-owned railways, as against $813,218,701 on account of publicly-projected railways. But from the last figure we should take $250,000,000 on account of the National Transcontinental Railway, which arose out of a contract entered into by a privately-owned railway, the Grand Trunk. This reduces the amount to $563,218,701 on account of publicly-owned railways as against $4,082,925,936 on account of privately-owned railways. If we wish to pursue this method of financial calculation to its logical conclusion and take in the moneys we have spent on canals, river improvements, wharves, and all that kind of thing we would find we have an amount equal to all that has been spent on railways, and it would bring the total liability on account of our transportation systems up to a figure between seven and eight billions of dollars.

Now, Mr Speaker, my only object in presenting these figures at all is to show the length to which one can go in exaggerating a situation such as this, and also, if possible, to show the desirability of finding out ourselves, if we can, what the actual position is. It may be true that worked out on a strict basis of financial calculation, or a book-keeping basis, from the time of Confederation up, our liability on account of the Intercolonial railway is what Mr. Payne has stated it to be; but the same thing applies, in an equal degree to our canal system, our river improvements and everything else of that kind that we have.

In this connection what seems to me to be a vital point is that it is
10 p.m. not fair to the Canadian National Railways, that the situation should be so exaggerated. What we want to know is what our actual obligations are in connection with these railway systems and what they must earn annually to pay their way, confining ourselves strictly to what properly belongs to the railway, and then from that standpoint endeavour to work out a plan by which we can make railways carry their own obligations. The fact is that we have these railways, approximately 22,000 miles in extent, projected into every part of this country from the Atlantic ocean to the Pacific—railways that are absolutely necessary to the industrial life of this country and railways, in very many cases, without which we cannot possibly get along. It may be difficult but let the load be as heavy as it may be, we have to carry it. We have to operate these railways, we cannot get away from it, and the question simply narrows down to this: what does the whole thing mean in dollars and cents and is there a solution for the difficulty.

Starting from that point let us see what the annual obligations are for which we are responsible in connection with these railways. I take first the Grand Trunk, and just let me say briefly that my reason for taking the Grand Trunk is that I look upon it as an absolutely essential that the Grand Trunk shall ultimately become part of the Canadian National Railway system no matter what scheme we may later develop for its operation. On five per cent Grand Trunk debenture stock the obligation is $1,694,409; four per cent Grand Trunk debenture stock, $4,845,104; four per cent guaranteed stock, $2,430,000; on the first, second and third preference and common stock, the value of which is being arbitrated, $2,570,000; total $11,540,320. Which for the purposes of reasonable calculation should be reduced by $1,285,000 which is equal to one-half the amount of the possible award under the arbitration, leaving a net balance of fixed charges against the Grand Trunk Railway, of $10,255,320. On the Canadian Northern—as per statement of the Minister of Railways to be found on page 1052 of Hansard—$24,155,988; Grand Trunk Pacific $9,332,776, less the amount which should properly be written off on account of over-capitalization, $7,228,600, leaving the amount properly chargeable on account of that railway at $2,104,176. I want to say a word with regard to that. It will be noted that I have mentioned an amount of $7,228,600 annually that should be written off on account of ever-capitalization on the Grand Trunk Pacific Railway. My reason for doing

that is, that we should never expect the Grand Trunk Pacific Railway to earn interest on money that did not actually go into the railway, and no man who gives the question even the slightest degree of study whatever will undertake to argue that the total amount of liability charged against the Grand Trunk Pacific ever went into the legitimate construction of a railway.

Now, let us take the National Transcontinental Railway and the liability on this line means a carrying charge of $12,500,000. From that again we should write off $7,150,000 for identically the same reason, leaving the annual charge $5,350,000. For purposes of operation, however, the amounts set against the Grand Trunk Pacific and the National Transcontinental should be eliminated for at least a period of ten years. As a railway proposition neither one of them can be expected to earn its operating costs and fixed charges for at least a period of ten years, and if the Canadian people entered upon an enterprise of that character they have a right to carry the load without expecting the railways to earn it. That leaves the net amount properly chargeable to the operation of the railways at $35,696,309.08 on account of present obligations. To this should be added the carrying charges on the operating deficit for 1920 on the Canadian National railways, amounting to $36,842,970.17 and the deficit in fixed charges on the Grand Trunk of $6,563,091.33, making a capital charge of $43,406,061.50, which means an annual charge of $2,387,333.37.

Then comes the question of completing and equipping the lines, for which approximately the sum of $250,000,000 will be required, upon which there will be an annual charge in round figures of $13,750,000, making the total annual fixed charges on all of these 22,000 miles of railway $51,833,642.45.

This year we have deficits in operation of $36,842,970.17, made up as follows:

Canadian Northern..	$16,258,579 80
Canadian Government.. ..	10,449,876 43
Grand Trunk Pacific..	10,134,513 94

In making up this statement of carrying costs it will be noted that there has been included an annual charge on the sum of $250,000,000, estimated as required to bring the lines up to standard. In putting in that figure and making that statement I do so for the reason that I am convinced that the sooner the Canadian people get to know what is the exact situation the better for them and the better for the railways themselves. I will come to the details in regard to that a little later.

In the meantime the question is: Is this financial obligation of such a character as to cause us to feel that it is greater than the Canadian people can legitimately face in connection with these transportation systems? Let us get the matter clearly in our minds. We have 22,000 miles of railway, and the problem is to make these railways earn their operating costs and a capital charge of $51,833,642.45. Again the problem is, can we do it? My personal opinion is that we can. The experience of the past two years would indicate that we cannot, but the question is: Has that experience been of such a character as to convince us that these railways are destined to be a failure? Again I say my personal opinion is that not only do I believe that the railways will not be a failure, but I believe that, properly co-ordinated, properly organized and efficiently operated, thew will ultimately prove to be a very great asset to this country.

In looking for an answer to that, however, we might first ascertain what our situation is in regard to railway mileage. It has been freely stated from time to time in this House and by the press of this country that the railway mileage in Canada is entirely out of proportion to the population—to some degree that may be true—and that certain of that railway mileage should be eliminated. Just here let me say briefly that in the co-ordination and organization of our Canadian National railway lines there are duplicate lines that should be wholly eliminated, situations where two lines of railway owned by the Canadian people are running so close together that you can throw a stone from one train to the other. The point, however, is, have we reached the place where our railway mileage bears such a proportion to the business that the railways have to do that it cannot be expected that they can earn their operating costs and fixed charges and at the same time give adequate service at reasonable rates.

On the subject of railway mileage in proportion to our population, frequent reference is made to the mileage of our railways as compared to that of other countries. We must always bear this in mind, however, that with the same mileage of railway you cannot serve people scattered over a country the size of the Dominion that would serve the same number of people if they were situated on the island of Montreal. And yet if all the

people of Canada were living on the island of Montreal they would bear a relation to our railway systems that the same number of people do who live in the cities of Liverpool and Manchester. It is true that our railways may have been projected a little too soon, but comparing Canada with the United States it will be found that we require to less than double our population before our railway mileage in proportion to population will be just about equal to the railway mileage of the United States in proportion to the population of that country. I do not think that we are anticipating the future to too great an extent when we say that the time is not far distant when our population will be doubled.

But making a comparison with conditions in Canada before the lines of the National Transcontinental, the Grand Trunk Pacific and the Canadian Northern were projected, on the basis of the traffic producing possibilities of the country, it will be found that the comparison of freight tonnage available for all Canadian railways is as follows:

In 1900 total number of ton of freight handled	35,946,183
1905	50,793,957
1910	74,482,866
1915	87,204,833
1919	116,699,572

Or an increase just about three and a half times within the period.

The number of passengers carried in 1910 was 2,466,729,664; in 1919 that number had increased to 3,074,664,369. The gross earnings of all Canadian railways in 1910 were $173,956,217; in 1919 they had grown to $382,976,901, or nearly two and a quarter times. Speaking on this subject a short time ago the hon. member for Halifax (Mr. Maclean) told this House that we did not handle as many passengers on our railways in 1920 as we did in 1919, and on the strength of that statement he built up an argument to show that we had gone over the peak, so to speak, and that our railway business was now declining. The explanation is very simple. During 1919 our army was brought back to Canada and demobilized and the men were sent to their homes, making a tremendous increase in the number of passengers carried. From those figures it will be seen that we have more tonnage and more passengers per mile of railway than we had before the Canadian National railways were projected.

Let me give one other comparison. In 1895 the earnings of all the railways in the territory now served by the Canadian Pacific Railway, the Canadian Northern, the Grand Trunk Pacific and the National Transcontinental were in round figures $38,000,000. The earnings of the railways in the same territory in 1920 were $297,745,297.76, an advance of almost eight times. I am pointing these things out because I feel that the situation has not been understood, and, as I stated a moment ago I think the sooner the people get to know just what the situation is the easier it will be for us to find a solution.

All this, however, does not get us away from the fact that there are deficits, and serious deficits, and for these we have to seek a remedy. In looking for an explanation one naturally turns to the report of the Board of Directors of the Canadian National Railways submitted to Parliament by the hon. Minister of Railways (Mr. Reid): I may say that I was personally very much disappointed when that statement was presented by the Minister of Railways as the report of the Board of Directors of the Canadian National Railways to the Government and to Parliament. Faced with such a serious situation in connection with this railway problem, it seemed to me that the Board of Directors should have made a complete survey of the conditions and should have stated to the Government and to Parliament in plain terms just what their opinion was as to the solution of the difficulty, if they could suggest any. If they could not suggest a solution, they should have come forward and said frankly that they looked upon the successful and economical operation of the Canadian National Railways as an impossibility. But when you scan the statement from end to end you find but two references to the deficits or to any possible solution of the difficulty, to any possible remedy for these deficits. One is the statement to be found at page 1053 of unrevised Hansard, in which the hon. minister stated that the management figured on considerable reduction in the deficits on operation owing to the curtailment of train services, reduction of maintenance forces, and other economies. He went on to say that they also expected a readjustment in the price of materials and in the wage schedules and working conditions. Again, on page 1055, the minister states that the solution of the problem is one which will require joint action by the management and employees. With the exception of the reference to the curtailment of train services, these statements

referring to prices for materials, wages paid to employees, as the result of the several McAdoo awards, etc., do not in my judgment present that comprehensive review of the whole situation which I think the Government and the House had a right to expect from the Board of Directors of the National Railways, faced as they are and we are with present conditions.

As to the added cost of material and the increased wages paid to employees, as I view the situation these are merely details in connection with the whole problem which will naturally and essentially work themselves out. If excessive rates are in effect, if there are inequalities in services, I am confident that the common sense of the men and of the operating officials will, if the problem is properly taken hold of, work out an adjustment which will be satisfactory to all parties. The whole record of the relations existing between railway operators and railway employees during the last thirty years is of a character to justify the conclusion on the part of any one who studies the question that railway employees will not and do not ask anything unreasonable.

Just here, Mr. Speaker, I wish to refer briefly to what I consider to be a campaign of unjust misrepresentation which is going on from one end of the country to the other with regard to the railway employees of Canada, not only on the Canadian National railways but on all railways. A systematic effort has been made in this House, through the press and by statements given out by certain railway officials to create the impression that the employees on the Canadian railways as a mass are receiving a base rate of wage out of proportion to that received by any other class of workingmen in this country. I wish to say, Sir, that such is not the fact. You will find that the base rate of remuneration paid to a railway conductor, a train despatcher, a machinist or a locomotive engineer on the Canadian railways is not as high as the base rate paid to bricklayers in the city of Toronto, not as high as the base rate paid to stonemasons working on the tower of this building. These men—railway conductors, locomotive engineers and train despatchers, are charged with the most responsible duties that any class of men can be charged with in this country. Let me just give you one little illustration: go to the train despatcher's office in either of the railway terminals in this city, the Canadian National or the Canadian Pacific, and what do you find? You find a man going on duty to-night at twelve o'clock and sitting down before a train sheet having to do with thirty, thirty-five, forty, perhaps fifty trains running in each direction on the section of line over which he has control. It is his business to keep these trains clear of each other, and if he makes a mistake of one single word, —yes, in many cases of one single letter in a train order, he not only loses his position but he renders himself liable to prosecution before the courts on a charge of manslaughter. Many of these cases are happening from one end of the country to the other; yet we find the chairman of the Board of Railway Commissioners going from coast to coast creating the false impression that these men are paid at exorbitant rates. I say again that the base rate upon which their remuneration is calculated is not as high as the base rate upon which is calculated the remuneration of bricklayers in Toronto.

Returning to the other matter referred to, namely, the curtailment of train services, an analysis of the operating results on the several parts of the Canadian National railways leads to the conclusion that when the Board of Directors stated that they expected to reduce the operating deficit because they did not expect to handle so many trains and because they expected to effect certain economies in that regard they were speaking from actual experience If the whole operating statement of the railways is taken into account and analysed it will be found that the more traffic they handled the worse off they were; that on the parts of the line where they had the heaviest traffic they sustained the heaviest deficits. If you carry that to its logical conclusion you will say at once that if you reduced the whole National Canadian Railway system to impotence, to a point where it would have no traffic at all, you would thereby reduce the annual deficits. There is something in that; I expect you would, on the basis of the statements that have been made.

In that connection I would like to refer briefly to what the operating figures really are. The Canadian Northern operating revenue for 1920 was $6,764 per mile; operating cost, $8,414, a deficit of $1,650 per mile. On the Grand Trunk Pacific the operating revenue was $5,278 per mile, the operating cost $8,993 and the operating deficit $3,715. On the Canadian Government Railways the operating revenue was $10,536 per mile, the operating cost, $13,-135, and the operating deficit $2,559. In making up the returns of operating revenue

the report does not give the revenues of the Intercolonial and the Transcontinental separately, but it does give the operating deficits separately. Working it out on a mileage basis—and I would like to emphasize this point, the result is as follows: the operating deficit on the Intercolonial was $4,325 a mile, and on the Transcontinental—that part of the line running from Moncton to Winnipeg, the leanest part of the whole system—$1,386 a mile, bearing out the statement of the directors themselves that by reducing the number of trains—by doing less business, if you will—they hoped to reduce the deficit.

Let us make a further comparison. The figures given in the statistical report of the Railway Department for 1919 show that the operating revenue of the Intercolonial Railway was $16,776 a mile, the operating cost $18,842, showing a deficit on the Intercolonial for that year of $2,066. Compare this with the operating revenue and operating cost of the Canadian Pacific Railway. For the same year it will be seen that, with an operating revenue of $13,156 a mile, the Canadian Pacific had an operating cost of $9,731 a mile. Just let me repeat that. While the Intercolonial, with an operating revenue of $16,776 a mile had an operating deficit of $2,066 a mile, the Canadian Pacific, with an operating revenue of only $13,156 a mile, had an operating surplus of $2,421 a mile.

What seems to me to be an illuminating comparison, can be drawn between the operating cost of the Canadian Pacific and the operating cost of the Grand Trunk Pacific. In 1919, the last year for which a statistical report is out, the operating cost of the Canadian Pacific was $9,731 a mile. In 1920, the operating cost of the Grand Trunk Pacific was $8,993 a mile, or a difference of only $738 a mile. When you turn to the operating revenue, you find that, with an operating cost of $9,731 a mile, the Canadian Pacific earned $12,152, as against $5,278 earned by the Grand Trunk Pacific with an operating cost of $8,993 a mile. If those reports mean anything, they mean that, as the system is operated at present, the more traffic the lines handle, the greater the deficits that we are going to have. Is the conclusion, however, that the only way to reduce the deficits on those lines is to reduce the business, an inevitable one? Is it wholly unavoidable that we must, of necessity, pay more for carrying a ton of freight a mile than we receive for carrying that ton of freight a mile? All the figures so far presented would bear out the contention that that is the situation. But let us examine the matter just a little closer in order to see whether these figures are wholly justified. Let us take the mileage earnings for 1919 and 1920 on the Intercolonial, Grand Trunk and Canadian Pacific. In 1920, the Intercolonial had an operating revenue of $16,776, the Grand Trunk, $19,942 and the Canadian Pacific, $13,156 a mile. Hon. members will note that both the Grand Trunk and the Intercolonial had greater operating revenue per mile of their line than the Canadian Pacific had. In 1920 the operating revenue of the Intercolonial increased to $19,629, that of the Grand Trunk to $23,528 and that of the Canadian Pacific to $16,164 per mile. That shows that, in 1919, the mileage earning of the Intercolonial was 22 per cent more than that of the Canadian Pacific and that the mileage earning of the Grand Trunk was 34 per cent more than that of the Canadian Pacific. In 1920, the comparisons were 18 per cent for the Intercolonial and 31 per cent for the Grand Trunk higher than the mileage revenue of the Canadian Pacific. If the ratio of operating cost to operating revenue had been the same on the Intercolonial and Grand Trunk as it was on the Canadian Pacific, the net result would mean a profit on the Grand Trunk of $12,800,000, and a profit on the Intercolonial of $9,056,495, or a total net revenue, instead of deficits, of $21,856,495. If we take this figure of $21,856,495, the operating revenue that we might reasonably have expected from the Grand Trunk and the Intercolonial, it would reduce the fixed charges to be provided by the people of this country through Parliament to the sum of $29,977,147, provided always, of course, that the other portions of the lines had earned their operating costs. In any case, it would reduce the operating deficit by the sum of $6,549,629.48, the amount of the deficit on the Intercolonial alone.

My point in connection with this is as follows: Is there any good reason why the Intercolonial railway and the Grand Trunk, projected and built as they were, equipped as they are, running through a densely populated country with a traffic averaging 20 per cent greater than that which the Canadian Pacific has on the whole of its mileage, should not be able to earn their operating costs and fixed charges? I say at once that there does not seem to be any good reason why they should not earn their operating costs and

fixed charges. Right there is where I believe we touch the vital point. Bring the operating efficiency of the Canadian National railways up to standard, and our deficits will be automatically wiped out. I do not wish to take a harsh position. Every one must recognize that the organization of a railway system such as the Canadian National railways is not a simple matter, and we have no right to expect that these railways should earn their operating costs and fixed charges, as a whole, in the first few years of their existence. But there does not seem to me to be any good reason why two lines such as the Intercolonial and the Grand Trunk, should not earn their operating costs and fixed charges, if nothing more.

Just one other illustration. What was accomplished on the National Transcontinental from Moncton to Winnipeg last year, which is as I said before, recognized as the leanest part of the whole Canadian National system, where the operating deficit was brought down to a little more than a thousand dollars a mile, is evidence of the fact that the application of efficient operating methods on all parts of the system, should, at least, make those lines maintain their operating costs and gradually work up to the point where they could earn their fixed charges. I am aware that it is easy to make abstract statements and say what ought to be done, when it may not be so easy to say how it could be done; but there are certain general principles underlying this whole question that are applicable, and I believe a study of the whole operating figures will convince any one, at all familiar with the matter, that it is possible to bring those railways up to such a state of efficiency that they will earn their operating costs and all of their fixed charges, including interest on the capitalized deficits that may occur on parts of the line during the next five to ten years.

In a statement given to the press by the Board of Directors of the Canadian National Railways a short time ago, it was stated that this whole matter was a financial one. It is a financial one in this regard: either the railways must either earn the money with which to pay their operating costs and fixed charges, or the people of Canada will have to pay that money out of their pockets. But in the final analysis, the problem resolves itself into nothing more and less than the proper co-ordination of a great national system of railways and their efficient and economical management. The question is: Can those railways be so organized? I believe they can; but they can be organized only if, as I said at the beginning, we face the issue fairly and squarely and set our minds determinedly to find the right solution.

At the beginning of my remarks I gave a figure of $250,000,000 as the sum that would be required to put the whole Canadian National railway system into such a state of efficiency as would make it possible to operate it economically. That is a large figure. I mentioned that to a gentleman a few days ago, and he said: "If you went out and told the Canadian people that they would be expected to spend an additional $250,000,000, on the Canadian National Railways, they would say: "Scrap the whole outfit." We are faced with one or two alternatives. Either we shall have to spend the money, or we might just as well scrap the whole outfit. You cannot run a railway any more than a business, if it is not properly equipped. Before you can operate a railway you must have the railway itself. You cannot simply run a railway along a barbed wire fence, or on a trail that you may trace out through the bush. You must have a proper road-bed to run it on; you must have proper equipment, proper terminal facilities, round-houses and everything else that goes into a railway. After all, if we could get away from the situation we are faced with in 1921 of putting $70,000,000 into the Canadian National railways to wipe out the deficit on the roads, by spending enough money to bring the railways up to a point where they can be operated efficiently, would it be good business to do that, or would it not? Take the case of any other business you like. Give a man 1,000 acres in Western Canada; let him spend money on it, fence it, and erect buildings on it, and get it all ready for cultivation. After he has done all that, if he only has machinery and equipment enough to cultivate one-tenth of his land he would not very easily earn his operating costs and fixed charges on that 1,000 acres, but if he spends money enough to equip himself with the proper machinery there is a possibility that he will make the thing a success—and the same thing applies to the organization and operation of the Canadian National railways.

In 1918, when the subject of the Canadian National railways was before the House, I took the liberty of making a statement with regard to the then existing conditions on the group of railways comprised

in the Canadian National railways and the Grand Trunk, and I gave the estimated cost of bringing these roads up to standard. That will be found in the Hansard of that year, from pages 2041 to 2051. I have given the situation further study and I have reached the conclusion that the statement that I made at that time was as close to being correct as it possibly could be. I at least have found no reason to change the estimate that I made at that time, and in making that estimate I had the assistance of men who know something of the railways of this country. It is difficult to make an absolutely accurate estimate of the present position for the reason that very considerable sums of money have been expended both on the Canadian National and Grand Trunk railways, the details of which are not available. There are, however, certain facts manifest to any one who will study the reports at hand and the situation generally, that enable us to reach a fairly accurate conclusion. To furnish the lines at present under the management of the Canadian National railways with freight cars will take approximately $75,000,000, and for passenger cars $20,925,000. This would provide approximately 20,000 standard freight cars, 1,500 flat cars, 1,000 stock cars, 1,000 coal cars, 1,000 refrigerator cars, 2,500 miscellaneous and road cars, and 150 tank cars, and others; I need not go into the details.

For locomotives, the sum of approximately $40,000,000 would be required, and this would provide 550 modern passenger and freight locomotives of the different types required, and from 200 to 225 switch engines, making a total for rolling stock alone of $135,000,000.

In 1919 I put the sum required to bring the Canadian National railways up to standard in road-bed, intermediate and terminal facilities, round-houses and water services at $75,000,000, the sum required for the same services in connection with the Grand Trunk Pacific at $25,000,000, and for the Transcontinental $22,000,000. Since that time very considerable and substantial improvements have been made on these lines, and the merging of the Grand Trunk with the Canadian National railways will reduce by a very considerable sum the amount necessary for terminals for the Canadian National railways. At present I believe that a close estimate of what will be required to bring the road-bed, and all the facilities that go into what you might call the road-bed itself, up to standard, will be from $65,000,000 to $75,000,000, making the total for the Canadian Northern, Transcontinental and Grand Trunk Pacific in the close vicinity of $200,000,000 to $225,000,000.

The situation with regard to the Grand Trunk proper, both in relation to its cost and the sums required to bring it up to standard, were set forth in the statement I gave in 1918, and here again, after examining that statement closely, I have no reason to change the estimate I then gave. As with the Canadian National railways, however, there have been expended in the meantime considerable sums on capital account, and the Government itself has paid directly for a considerable number of locomotives, cars, etc. The road bed and general equipment of the Grand Trunk including terminals is admitted to be in really good condition. Some improvements are necessary, but the extent of them is not yet known. Economic operation, however, will make necessary the expenditure of a very considerable sum of money in the purchase of motive power and rolling stock. In 1919, at the time the Grand Trunk question was before the House, I put the figure for motive power alone, in order to bring it up to an economic standard, at $35,000,000; I do not wish to weary the House by going into all the details. As a matter of fact, the officers of the Grand Trunk Railway Company have themselves made the statement before the Drayton-Acworth Commission that they required $50,000,000 to bring their rolling stock and general rolling stock equipment up to the standard, they requiring 200 locomotives and 10,000 box cars. While there have no doubt been additions in the meantime, it can nevertheless be taken for granted that there is required to-day, or will be when the Grand Trunk is co-ordinated with the Canadian National Railways, a sum approximating to $50,000,000 to bring that part of the Canadian National railways to a point where it can be operated economically and efficiently.

The question is, can the country face this expenditure and face the problem of operating these railways? The answer to that is that we have the railways, and whether the task is easy or difficult, we have to operate them; we cannot get away from that. The industry of the country demands that we should find a way to operate these roads economically, and in that connection might I say one word with regard to the statements that have been issued so many times about the operating deficits

being due to excessive wages and excessive material costs? I have no doubt that these things will work themselves out, but I think I am in the judgment of the House when I say that there are a lot of people in this country looking forward anxiously to the time when freight and passenger rates will be reduced as a result of the operating cost of the railways being lowered; but if we are to accept the statements that are being given to us from time to time, it would look as though we were going to be loaded with the present freight and passenger rates for all time. I believe that any one who studies the situation that this country is faced with will agree with me when I say that we must find some way of organizing and operating our railways so as to bring the cost of transportation down, as well as to wipe out the deficit. I have already stated my belief that our railways can be co-ordinated, can be organized, and can be operated, without these constantly recurring deficits, and operated so that they will earn their fixed charges. But the question is, how is this to be done? It is very easy to make academic statements as to what ought to be done, but it is not so easy to suggest a way by which it should be done. Now, there have been very many suggestions put before the Canadian people in one form or another as to what the solution of the railway problem is and how we should operate the lines so that they may be successful and that the Canadian people may be relieved of the present burden in connection with the railways. If the House will bear with me I will refer briefly to a few of these suggestions. The first suggestion is to turn all the lines back to private control.

An hon. MEMBER: Hear, hear.

Mr. NICHOLSON: An hon. member opposite says, "hear, hear;" well, that is a very easy thing to say. I should like some one, however, who says that we should turn back the railways to private control, to show me a group of men who would be willing to undertake to operate these railways economically and efficiently, and give the people satisfactory service. It is a very simple thing to say, turn the railways back to private control; and it was equally easy to say in 1917, 1918, and 1919 that we should have left them under private control. If we had talked that way in 1903, 1904, and 1905, there might have been some reason in such suggestions. But faced with the present problem, I should like any man to show me the means by which we can turn these lines back to private control with a reasonable guarantee for efficient operation.

Mr. DuTREMBLAY: What do you think of transferring the railways to the Canadian Pacific Railway?

Mr. NICHOLSON: I was just coming to that. The second suggestion one hears is that we should merge all the railways of Canada into one great system. There are two schools of thought in regard to that suggestion. One school advocates putting all these lines into one great system and operating them as one publicly-controlled concern; another schoolool says that we should combine them all into one system and operate them privately. And in that connection we have the suggestion, in a letter to the Right Hon. the Prime Minister (Mr. Meighen), from Lord Shaughnessy, to turn them over to the Canadian Pacific Railway. Any statement made by Lord Shaughnessy on the railway question in this country must be given some consideration, because—and I do not believe I am overstating the fact—he is one of the most outstanding railway organizers and operators that the American continent has ever produced.

I shall deal with this question of merging all the Canadian railways into one great system, both from the aspect of public ownership and from that of private control. The country, Mr. Speaker, requires something more than the mere earning of operating costs by its railways; it requires service. Service means as much to the Canadian people in connection with the operation of the railways as does the wiping out of the deficits on the Canadian National railways. Unless we can be assured satisfactory service, I have very grave doubts as to whether we should gain very much by reducing the deficit. Now, I just put this question: What has made the Canadian Pacific Railway the success which every one looks upon it as being today? You say at once that it is the efficient management and operation which it has had. Well, I agree absolutely with that. And what was it that produced that efficient organization? It was the stern, determined competition which the Canadian Pacific railway encountered right from its inception, and which made it absolutely necessary that it should develop just that kind of organization; otherwise it could not have carried on successfully. The question is, if you put the whole of the railways

of Canada into one great merger and operate them, either under private control, or under public management—private control, with dividends to the stockholders guaranteed for all time to come,—is it reasonable to expect that we are going to get that type of service which we should receive as a result of the competition that at present exists? My personal judgment, so far as that is concerned, is that while it may be ideal—there are a great many things that are ideal, but are not practical—that all these railways should be put into one great system and be operated under either private or government control, it is wholly impracticable, and if it were done the Canadian Pacific Railway would deteriorate and ultimately become what the Canadian National Railways are to-day.

Another suggestion is that a new company be formed and given a block of stock in the Canadian National railways, and that the operation be under private control. Well, if some one will find a group of practical railroad men anywhere who will be willing to pledge forty, or fifty, or sixty millions of their own money in this enterprise, and undertake to operate the Canadian National railways as co-partners with the people of Canada, risking some of their own money in the venture, then, so far as I am personally concerned, I would have no great objection to the experiment. But I have great doubt as to whether it would be possible to find such a group of men.

Another suggestion is that we abandon the Grand Trunk altogether, leaving it just where it is; that we retain the Canadian National railways as they are and endeavour to operate them as we are doing at present. My position with regard to that is simply this: The Canadian people have been betrayed a great many times in connection with railway problems in this country, but I would look upon it as the greatest possible betrayal of the public in connection with railway matters if we left the Grand Trunk in the hands of the present owners, relieving them of all obligations in connection with the National Transcontinental and the Grand Trunk Pacific, allowing the shareholders of the Grand Trunk to retain that portion of their lines that has some potential advantage, while the Canadian people have foisted upon them those parts with their terminals so to speak, up in the air, and without any prospect of efficient operation. Any one who will look the situation in the face at all, cannot escape the conclusion that as a railway project the Canadian National railways, the Transcontinental, the Grand Trunk Pacific, and the Canadian Northern cannot be operated without the eastern connections. Why should the Canadian people be asked to spend hundreds of millions of dollars in producing these connections and let the Grand Trunk Railway Company of Canada, who at least were partners with the Canadian people in bringing about this situation, get away with all the advantages while we carry the load? I say again, I would look upon that as the greatest betrayal of the Canadian people that has ever been perpetrated in connection with the whole railway situation; and that is saying a good deal.

Now, the last proposition is the co-ordination of all the present lines of the Grand Trunk, the Canadian Northern, the Grand Trunk Pacific, the National Transcontinental and the Intercolonial into one system operated under government control. Whatever my personal opinion may be on the merits or demerits of government control of railways, I say, what I have said a good many times, I see no other possible solution than this last proposition. I do not believe it would be possible to bring about a merger with the Canadian Pacific railway such as Lord Shaughnessy suggests, even supposing such were accepted as the solution. I believe the only solution is the proper co-ordination and organization of these systems. Get the Grand Trunk linked up with the Canadian National railways just as quickly as possible and organize the whole system efficiently.

I am not going to criticise any individual or any group of individuals; I am not in a position to do so. I do not know what the exact situation is. I have not had the opportunity, and would not have the capacity if I did have the opportunity, of determining what the facts are. I am confident, however, that there is something wrong somewhere, and I say to the Government, with all frankness, that the time has come when they should find out what that difficulty is: I do not believe that there is any reasonable justification for the operating deficits that we have had in the last year, and previous years, on the Canadian National Railways. And just incidental to that I would refer briefly to something said by my hon. friend from North Cape Breton and Victoria (Mr. McKenzie) with regard to the Canadian Northern Railway when he remarked that a gentleman from Western Canada had told him nobody would use that railway.

Let me tell my hon. friend that in accepting that statement he is too easily imposed upon. I have every reason to believe that the Canadian Northern Railway handled fifty-one per cent of the western wheat crop of 1920, and handled more than fifty per cent of all the stock passing through the city of Winnipeg during the same year. Now these are facts and, such being the case, why is it that railway cannot earn its operating cost at least? Another point is: Why should we go to the end of the financial year before the Government, or anyone else, is able to ascertain that these railways are not paying their way? Simply because there is something wrong somewhere in connection with the organization, and I say that without, as I said a moment ago, finding any fault with anybody, or with any particular individual or group of individauls. I believe that there are on the Canadian National Railways just as capable railway operators as there are in Canada or in the United States, but there is something the matter with their organization—there is something the matter with their equipment—there is something the matter somewhere, or they would make a different showing from what they are doing; and it is up to this Parliament to see to it that some means is found to bring about an organization that will make this economical operation of our railways possible, and that will get us out of the difficulties that we are in at the present time. I have every confidence that this can be done, but somebody has to take hold of the job with both hands.

Mr. LEVI THOMSON (Qu'Appelle): Mr. Speaker, the Finance Minister has brought forward a new Budget. He has clothed it in robes of flowery eloquence, and has held it up with pride to the admiring gaze of his supporters. It plainly belongs to the old protectionist family—though it may be a more lusty child—as did his last Budget, only its weight is greater from a protectionist standpoint. The minister is careful to tell us the tariff will not be revised this session, and he apparently wishes to have it impressed upon us that the duties have not been materially increased. Notwithstanding that, however, he has taken care to give the tariff a canny hoist in ways that he thinks will not be very much noticed. Apparently in the future the price paid for the article imported will not be the basis on which the customs duty will be paid; the duty will be based on the value placed on the article by the officials under the minister—a very convenient method which will give the customs tariff a hoist under cover. Then my hon. friend provides that the sales tax on all imported articles shall be higher than on home manufactured articles—another substantial hoist to the tariff. He also advocates a further change in the valuation of goods imported from foreign countries whose currencies have greatly depreciated and he adds:

> Under the law, valuations are made in the currency of the country of export and this value has under customs ruling been adjusted to the basis of exchange prices. The increased cost of production in the foreign market does not, however, bear a direct inverse relation to the extent of the depreciation of the currency, more particularly so having regard to countries where currencies are depreciated to a greater extent than 50 per cent. It is therefore proposed to provide that any depreciation of a foreign currency greater than 50 per cent shall be disregarded, and that the lowest valuation which can be made will be arrived at by a depreciation of 50 per cent.

It seems to me that in many cases this will have the effect of another considerable increase in our customs tariff. In many of the European countries the depreciation in currency is very much more than 50 per cent. In some cases the value of currency, in comparison with the gold standard, would be not more than one-tenth of the value of our currency. The effect of this, it seems to me, will be that if a Canadian imports from such a country goods which in that country are worth $100 in our currency, the value of such goods in native currency will be $1,000 and by reason of only 50 per cent depreciation being allowed they will be valued at $500 if the policy described is followed out by the Customs Department. If the customs duty of these goods is 20 per cent the importer will therefore have to pay five times the amount which would be $100, or 100 per cent customs duty. One hundred per cent customs duty will be a pretty fair protection and, in my opinion will place us at a great disadvantage in comparison with our American neighbours, where a different plan is adopted. Worse than that it is continuing by artificial means the inflated prices of manufactured goods, while I do not notice that the minister is taking any steps to retain the artificial prices of what the farmer sells. While the Minister takes care that the inflated prices of manufactured goods shall be retained by artificial means, he does not take any such pains in regard to what the farmer produces. The products of the farmer must be sold in fierce competition with other countries and no relief is pro-

vided; the minister does not seem to consider that any relief is necessary. In my opinion it would not be necessary to give any relief if the minister treated the farmers fairly as compared with the customs duties placed on manufactured goods. These plans of the minister while nominally not increasing the tariff will, in effect, increase it to a very great extent. The minister evidently recognizes that tariff increases are not popular, and adopts this plan of increasing the protection enjoyed by his manufacturing friends when nominally there is no increase at all. While apparently the protection on imported dutiable goods is 20 per cent, I am satisfied these changes will have the effect of increasing it to at least 25 per cent or more. This is an excellent system of camouflage, but camouflage is very popular with the manufacturing and protectionist friends of my hon. friend.

The platform of the Canadian Council of Agriculture has attracted wide-spread attention. Generally Canadian proposals regarding the tariff have been from interested classes asking for increases in the customs tariff on what they produce and want to sell, or for decreases on what they buy. The Canadian manufacturers have pulled both those strings with vigour. They call lustily for a high protective duty on all they wish to sell, and they call almost as lustily for free trade on what they want to buy. The representatives of the farmers who framed the platform of the Progressives adopted a different plan. They evidently recognized that the people were getting tired of these selfish appeals, and instead of asking for protection they actually insisted that everything they themselves produced should be placed on the free list, while they agree that on many things they purchase the custom duty should be retained for a time at least.

This was so entirely different in spirit from the appeals of the Canadian Manufacturers' Association that it attracted considerable attention and caused something of a panic in that association. Although the association would not for a moment consider the adoption by themselves of any unselfish political policy, they seem to have known enough of human nature to see that those unselfish proposals of the Progressives alongside their essentially selfish and class proposals and appeals would capture the heart of the Canadian people. So like the German when he found his opponents getting too strong for him, and like the minister when he wants to give the tariff a hoist without attracting too much attention, they adopted a policy of camouflage. They adopted a new name, the pleasing and high sounding name of the "Canadian Reconstruction Association", and under that name they flooded the country with literature. No doubt this literature costs a lot of money, but possibly the association passes it on, like the sales tax, to the customer. That association does not make much use of the terms "protection" and "customs tariff"; its promoters prefer to boom those things by indirect means. They cover their actions under the Canadian flag. They lay great stress on the danger of buying from abroad and profess great reverence for the British flag, but when it comes to a question of trade they have no more use for that flag than they have for an old gunnysack. Trade with Great Britain is to them "foreign" trade, and for trading purposes the Union Jack is a "foreign" flag. They make great efforts to show that it is the patriotic duty of every Canadian to buy only Canadian-made goods. One would infer from their literature that Canadians who are buying foreign goods are disloyal. They especially condemn the farmers' organizations for buying their implements from foreign countries rather than at home, and the Minister of Militia enthusiastically joins in that condemnation, ignoring all the time the very evident fact that the reason why the farmers' organizations are doing that is because our manufacturers have refused to sell to them. It is the old cry over again, "you shall and you sha'n't, you will and you won't; you will be damned if you do, and you will be doubly damned if you don't."

But, after all, who are the Canadians who are buying such great quantities of American goods? I know of no official statistics that show the amount of goods imported by the different classes of our people, but I find that during the fiscal year ending March 31, 1920 the last fiscal year of which we have complete trade returns, Canada purchased goods from the United States to the value of over $301,000,000, which were duty-free goods. I have gone somewhat carefully into those free lists, and judging by the returns I am quite sure that the great bulk of those free goods were imported by our manufacturers—these people who say we should not import anything from the United States. Besides this, I find that our manufacturers have been given, during the same year over $15,500,000 by way of drawback on customs duty. This possibly represents over another $75,000,000 worth of goods

imported by them. If it is a sin to import from other countries, our manufacturers are undoubtedly the greatest sinners in that line at least. They are not satisfied with a free list that gives them so great an advantage over all other Canadians, they are not satisfied with the fact that nearly one-third of the items on our free list are free of duty only when imported by manufacturers, while other Canadians must pay the full duty, but they also insist that on other things not on the free list they shall get a drawback when they are the importers. Still, they are the people who talk to us about class movements and class legislation. Our customs tariff is gross class legislation for the benefit of the manufacturing classes—the grossest piece of class legislation we have ever had on the statute books—and the Minister of Finance has made it a little worse this year.

But why do we import goods from other countries? Assuming that Canadians are a sane and sensible people, the natural answer is that we can buy them cheaper from other sources. This is, no doubt, why our manufacturers import such vast quantities and it is the reason why others do the same. Then what is the remedy? It is quite simple. The manufacturers should sell to us more cheaply than we can buy from outside. They can easily do that with the tremendous advantage the tariff has given them in the past, even without the additional hoist which the minister is giving them this year. If they fail to do that, their failure shows what a dismal failure the protective tariff has been. It becomes plain that our manufacturers must be put up sharply against the world's competition, otherwise they will never develop their natural abilities or make proper use of their natural advantages, nor will they ever so fully overcome whatever natural disadvantages they are exposed to as they would were they exposed to world competition. Our manufacturers, in producing war supplies, faced the competition of the world and made good, but they have not made good in the matter of producing goods for home consumption at proper prices because they have always depended on government pap instead of on their own initiative and exertions.

The protective policy begets fear, cowardice and selfishness. The fear that they cannot compete with others is one of the most degrading things to which any people can be exposed. My hon. friend from Frontenac seems to have the same fear for the farmers of Canada. He seems to think that because certain residents of the United States live in warm climates and do not have to go to such great expense in erecting dwellings, barns or other buildings and in feeding their stock it is impossible for us to compete with them in an open market. If that is the case we should all go south, and those of us who have gone further north have surely made a terrible mistake. But we do not think it was a mistake. We do not admit for one moment that the southern States are any better than our country; we do not admit that our country is not just as good as any part of the United States. We are too loyal to join the hon member for Frontenac in his cry. We claim that we are able to meet the farmers of the southern states or the farmers of any other part of the world on the principle of a fair field and no favours. That we ask and we ask no more.

But to return to our manufacturing friends. If American manufacturers seem to have developed more initiative than ours, I believe it is cheiefly because every American manufacturer has to face thirteen times the competition in his home market than is faced by the Canadian manufacturer. They have been placed in a more strenuous position, so to speak, so far as competition is concerned, and as a general rule they have profited by it. It is time our manufacturers should cease appealing to the instincts of patriotism and loyalty in the Canadian people to serve their own selfish purposes—for that is the only reason why they are appealing to our patriotism and loyalty. A victim of the French Revolution is said to have exclaimed: "Oh liberty, what crimes are committed in thy name!" But the future Canadian historian, writing of the protectionists of our day, may well say: "Oh loyalty, what crimes are committed in thy name".

The literature of the Canadian Reconstruction Association is very interesting. I have before me one of their circulars frantically urging the people of Canada to buy Canadian products, and claiming that, among other advantages, the exclusive buying of home products will lower prices. They do not, however, explain how that will be done. They also claim that buying in the home market will increase the national revenue; they do not say how that will be done, either, and they make that claim in the face of the fact that buying home manufactured goods instead

of imported goods necessarily means a decreased instead of an increased revenue, because of the decrease in the customs duties collected. They also state that buying in the home market will reduce taxes, whereas, on the contrary, it means increasing the taxes, so long as we have to pay to the home manufacturer on what we buy from him an amount practically equal to the duty which we would have to pay were we to buy American or British goods. This amount so paid does not go into the revenue of the country, and we must make up the shortage by additional taxes raised in some other way. Buying at home, therefore, will increase our taxation rather than reduce it. Then, they say that the carrying out of the policy which they advocate will attract outside capital. Well, outside capital usually comes in in the form of imported goods, which they look upon as an unmitigated evil. They also say:

> Canadian goods need no apology. Generally they represent better value than imported products.

Even if this were true, which we do not admit, is this all that is required of Canadian goods? We say it is not: they should represent 20 or 25 per cent more value than imported goods, if the Canadian manufacturers are dealing fairly with us. Then they tell us that if 25 per cent of the goods imported into Canada last year had been supplied from Canadian sources, direct employment would have been provided for some 65,000 additional workers. But how would that work out? We paid in customs duties last year $163,000,000. If we produced at home one quarter of the goods represented by those duties, the country would lose one quarter of that revenue, but our opinion is that we would have to pay it all the same, though it would be paid to the manufacturer instead of into the treasury of the country. That is, in order to have these 65,000 additional workers we would pay a bonus to the manufacturers of $40,750,000, or $627 per head for the additional employees. According to the Government Year Book, Canadian manufacturers employed during the year 1910, 515,203 persons, who were paid in wages and salaries $241,008,416, or $467.65 per head. Well they ask us to give them a bonus of $627 per head on these workmen whom they employ; in other words, they want us to give them a bigger bonus than the amount they pay the men in wages and salaries. That might suit the manufacturers all right, but it would not suit the rest of us at all.

Speaking of bonuses, I am satisfied that under the proposed tariff we shall be practically paying a bonus to the manufacturers of $500,000,000 a year. But what are they doing in order to justify their receiving that amount? They say they are giving employment to many people. Well, they sometimes give employment, but not always. It seems to me that having regard to the tremendous bonus we are paying them, they should so manage their business that there would be no serious unemployment in the country. When they receive a bonus like that they should at least do that much for the workingmen.

Mr. CURRIE: How can they run their factories when you will not buy their goods?

Mr. THOMSON (Qu'Appelle): I think I have already dealt with that. The Grain Growers' organization do not buy from the Canadian manufacturers because the Canadian manufacturers will not sell to them. That is an assertion which is not denied in this House, and the Minister of Militia (Mr. Guthrie) when we attempted to put it up to him during the course of his speech, refused to allow any interruptions because he knew that was coming. He would allow interruptions from any one except from cross-benchers but he was careful not to allow them to interrupt because he knew what was coming. I repeat that the Grain Growers' organization did not buy from the Canadian manufacturers because the Canadian manufacturers would not sell to them.

Mr. CURRIE: Not true.

Mr. THOMSON (Qu'Appelle): I believe some of them now are willing.

Mr. COCKSHUTT: Yes, you had better say so.

Mr. CURRIE: Mr. Speaker—

Some hon. MEMBERS: Order.

Some hon. MEMBERS: Sit down.

Mr. CURRIE: I have been doing business with the western farmers for twelve years, and will sell to any of them who want to buy a carload of stuff. I have never refused them if they had the money.

Mr. THOMSON (Qu'Appelle): It is true that they have bought some things, though my hon. friend contradicts completely the Minister of Militia in his statement. But the reason why they did not buy more is because the manufacturers refused to sell to them.

Mr. CURRIE: There is no truth in that.

Mr. COWAN: What manufacturers?

An hon. MEMBER: All manufacturers.

Mr. COWAN: What manufacturers? I just want to ask that question.

Mr. THOMSON (Qu'Appelle): My hon. friend is not entitled to interrupt me unless I give him permission to do so. However I refer him for an answer to the hon. member for Maple Creek (Mr. Maharg), the hon. member for Mackenzie (Mr. Reid) and the hon. member for Marquette (Mr. Crerar).

Mr. COWAN: You are making assertions that you cannot prove.

Mr. THOMSON (Qu'Appelle): I am making assertions on the basis of what I have been told by thoroughly reliable people, and that is all the assertion that my hon. friend can make at any time. In fact, he is often ready to make assertions when he has no such authority.

Mr. COWAN: The hon. gentleman cannot answer the question.

An hon. MEMBER: He has answered it a dozen times.

Mr. THOMSON (Qu'Appelle): I say that under the present tariff we shall be paying to the manufacturers of Canada a bonus equal to $500,000,000 a year.

Mr. CURRIE: That is not true. You are paying no bonus.

Mr. THOMSON (Qu'Appelle): My hon. friend is not entitled to stand up in this House and tell me that I am saying was it not true.

Mr. CURRIE: The hon. member knows very well that he is not telling what is true.

Mr. THOMSON (Qu'Appelle): My hon. friend knows very well, if he has studied the question at all, that what I am telling is the truth. In receiving such bonuses as this, they should see that they give steady employment to their men.

Mr. CURRIE: The hon. member does not help any unemployment.

Mr. THOMSON (Qu'Appelle): That is a duty in which they have lamentably failed. I must say that the present Budget is not to my liking at all. It not only, in effect, makes a great increase in the protective tariff, but provides for the dropping of the business profits tax and replaces that with an addition to the Sales tax. Taxes may be divided into classes in various ways. We may class some as direct taxes and some as indirect taxes. If it true that both the tax dropped and the additional tax are direct taxes and, therefore, they are preferable to indirect taxes such as the customs duties. We may also, however, divide taxes into those that are based on the expenditure of the person who pays them and, on the other hand, those that are based on his income. I believe the taxes should, as far as possible, be levied on those best able to pay them, and in order to make the persons best able to pay do their part, only one course is possible and that is to base our taxes, as largely as possible, on income rather than on expenditure. That is something that we should always keep in mind. The poor man expends all his income and, according to the system of taxation which has obtained in the past, he must pay a tax on all of his income, while the rich, who do not need to pay out all of their income, escape taxation on the part of their income which they do not need to spend on their living. The Minister of Finance is apparently anxious to get back to the old system. His predecessor somewhat reluctantly adopted the plan of levying part of his taxes on income, in other words, taxing those who were best able to pay; but the present minister seems anxious to depart from that principle, when he drops the business profits tax, which is chargeable against income, and adopts in its place taxes of another description which are based upon the expenditure of the person paying. Therefore, it is plain that he is relieving the rich men of the country at the expense of the poor.

The United States Secretary of the Treasury has recommended to Congress the repeal of the excess profits tax, but he also advocates that the excess profits tax should not merely be repealed but be replaced by some other tax upon corporate profits. He wants to keep the tax still against income instead of expenditure.

Mr. HAROLD: Does the hon. member not know that under present regulations all business profits are taxed 10½ per cent with an exemption of only $2,000 on each company's profits?

Mr. THOMSON (Qu'Appelle): I am not discussing that point.

Mr. CURRIE: The hon. member is dodging it.

Mr. THOMSON (Qu'Appelle): I am dealing with the fact that the Minister

of Finance is dropping a tax on income and is putting in its place a tax on expenditure. I am trying to produce some arguments in favour of taxing income rather than expenditure. I am not dealing with the point that my hon. friend is dealing with at all. I was referring to the recommendation made to Congress by the United States Secretary of the Treasury. I notice that he makes another recommendation which I think might be taken to heart by the minister. He says that the nation cannot continue to spend at "this shocking rate." In his opinion, the proposed expenditure for the coming year of $37 per capita is expenditure at a shocking rate. I wonder what he would say of our per capita expenditure of $60 to $70.

We have before us not only the Budget, but an amendment with which I propose to deal very briefly. I might say that the amendment that I should like to see adopted in this case would set out the fiscal policy laid down in the platform of the Canadian Council of Agriculture. I think it would be much better than the proposed amendment; but according to our Canadian rulings, we can have only one amendment, and we have to deal alone with that. In some respects, this amendment is better than that presented to us last year. It expresses regret that the Government has made no proposals for any reductions in the tariff, and I thoroughly agree with that. It also regrets that the tariff is based upon the principle of protection, and I also agree with my hon. friend (Mr. Fielding) in that regret. The amendment claims that the aim of legislation should be to make taxes as light as circumstances will permit, and it also claims that encouragement should be given to industries that may reasonably be expected to create healthy enterprises giving promise of success. That is one of the most important things which we must keep in mind in dealing with our fiscal legislation. We have been trying to pamper and pap-feed industries which never should have been established in this country. If we had adopted the principle laid down by the hon. member for Shelburne and Queen's, we would stop that sort of thing and we would encourage industries that the Almighty intended to be carried on in this country.

Sir HENRY DRAYTON: My hon. friend has referred to pap-fed, improper industries, industries that never should have been started in this country. Would he be kind enough to give the House the names of the industries to which he refers?

Mr. THOMSON (Qu'Appelle): I have not undertaken to give the names of the industries. My hon. friend should be very much better posted than I am in that regard. I will say this, that any industry that asks my hon. friend for a protection of 25 or 30 per cent should never have been established. My hon. friend should tell them to get out That is the best test I can give to him. Let him find any industries willing to work on a 10 or 12 per cent customs tariff and let him encourage such industries in any way he can. He will then be encouraging industries that can be carried on successfully in Canada and that the Almighty intended to be carried on in Canada. That is the best answer I can give to my hon. friend, and I hope he will take it to heart.

The amendment further advocates such legislation as will reduce the cost of implements of production required for the efficient development of the natural resources of the Dominion. That is also a very good point, and the best way to reduce the cost of those implements, and amongst them agricultural implements, is to put them on the free list. In that way the chances of the farmer to make a living in these serious times will be very much increased. On the whole I think it is an amendment that should be accepted by me although it does not go as far as I would wish.

Some of my hon. friends opposite have had a great deal to say about free trade and free traders in this House during the last few years. The term "free trade" has been used rather loosely in this country. I can remember, as no doubt can other hon. gentlemen something of the old election campaigns in this country in 1876 and 1878, when the National Policy came before us for the first time. We remember that those who supported a tariff of an average of 12 and 13 per cent were called free traders, while those who wanted 20 per cent all around were called protectionists. That is how the term first came to be used, and it still hangs on to some extent. We apply the term "free trader" to those who want free trade or a low tariff. Hon. gentlemen opposite are now trying to create the impression that even the Progressives are rather indefinite on this question of free trade, and are rather undecided as to what their attitude on the question should be. I do not think that is so; I think there is no justification for that criticism. Let me give my own position on the question of free trade, if you will, or low tariff, and I believe that my

position is one that has been generally accepted by the Progressive party. My ideas along that line are well set out in the fiscal plank of the Canadian Council of Agriculture. No one need have the least doubt where the Progressive party stands on that question. No party that ever existed has made its position so clear when out of office as the Progressive party has done with regard to that particular plank, and any one who wants to know where the Progressive group stands can look up that plank and find out without any trouble at all. If any one does not know, there is no excuse for his ignorance; it is simply unjustifiable and inexcusable.

We have heard a great deal about the Liberal platform of 1893, and particularly about one thing that was suggested at that time, namely, that the goal of the Liberal party was free trade as they have it in England. I think that was a very good goal, and that we should do well always to keep a goal of that kind before our minds. I am sorry that the Liberal party did not make greater exertions to reach that goal more quickly. Hon. gentlemen opposite seek to leave the impresion that we are divided in our views on this question on this side of the House—that many of us would like to retain a certain amount of customs tariff, while others want the whole thing abolished at once. I have never heard any member of the Progressive group suggest that we should do away entirely, at one fell swoop, as the hon. member for Marquette (Mr. Crerar) has put it, with the customs tariff. The hon. member for Red Deer (Mr. Clark) has frequently directed attention to the fact that it took some twenty years in England to accomplish actual free trade, and I have always heard him advocate in this House that we must proceed along these lines gradually, although always keeping the goal in view. It may be necessary for a time to retain some customs duties on certain lines of manufactures, but I do not think there is any such need as our hon. friends opposite would have us believe. As a matter of fact, we know that in at least four particular lines of goods used generally throughout the country we have adopted the policy of free trade, not by any agreement with our manufacturing friends, but in answer to a great clamour from the public and in the face of tremendous opposition by the manufacturers. Those four lines to which I refer are cream separators, binder twine, barbed wire and flour. I shall not take up the time of the House to repeat what was predicted at that time, but we all remember how ruination was predicted. In every one of those lines we are not only manufacturing goods for Canadians in Canada, but we are exporting to a very large extent, even barbed wire, though not to such a great extent as in the other lines.

While it may be true that it would not be wise to do away at once with all customs duties, I say that in so far as agricultural implements are concerned there is not one bit of justification for retaining a single jot of customs tariff on any of them. I think in all our leading lines of agricultural implements our manufacturers are not only able to supply our home demands, but are exporting largely in competition with the world, and if they can face the competition of the world outside of Canada, why cannot they face competition inside Canada?

I want to repeat what I said in answer to my hon. friend the Minister of Finance on a previous occasion, that an industry that cannot thrive on a 10 or a 12, or at the outside a 15 per cent tariff, is not suited to this country, should never have been established in this country, and is a curse instead of a benefit to this country. I believe that our experience has shown that those industries which it was predicted could not possibly thrive under free trade, have thriven. The first and most important thing we demand is that food stuffs and the agricultural implements necessary to produce those food stuffs shall be freed.

I think more might be done in the way of looking after wider markets for the things we produce. I have said something in this House before as to the necessity of having trade agents in the United States and elsewhere, to do something in the way of finding markets for our agricultural as well as our manufactured products. We export more agricultural than manufactured products, and I think they should receive more attention than they have in the past.

We have had a serious situation in Canada for some time on account of the ending of the war. We have been passing from war to peace, and we are experiencing a period of depression. We have no objection to bearing our share of these trying times, but we feel that the farmers of Canada have had to bear more than their share, and that the manufacturers, who have been bonussed so extensively by the treasury, have not done anything like their share. The hon. member for Red Deer (Mr. Clark) has drawn attention to the fact that one of his constituents sold two cattle hides

weighing 129 pounds at 1 cent a pound; that he got $1.29 for them.

I know of a worse case than that. I saw a report in the paper the other day about a farmer at Melita who shipped two hides to Brandon and received in return, after paying freight and commission the magnificent sum of 16 cents—just a little more than enough to buy a pair of shoe-laces. It would take about 100 or 150 of these beef hides at that price to buy a pair of boots for the farmer made out of just one little corner of one of the hides. Is there any justification for that?

I have known of worse cases than that, where people sent in hides and there was not enough received from them to pay the commission and freight. I have known of cases where people were compelled to sell cattle this fall—good canners—because of the shortage of food. They shipped the cattle to Winnipeg on commission and did not get enough to pay the commission and freight. But we have not seen any wonderful reduction in the price of canned goods, or any wonderful reduction in the price of boots and harness. It is unfair that it should take from 100 to 150 hides to buy a pair of boots, and from 400 to 500 cow hides to buy a set of harness, but that is about the position in which the farmers of Canada are placed because the Canadian manufacturers refuse to do their share in restoring rational conditions.

Without wishing to take up very much more time, I might refer briefly to one or two suggestions in regard to the raising of revenue. My hon. friends say that we should not only criticise the present system of taxation, but that we should suggest some other means of raising money, because we all admit that large sums of money are necessary. Well, it is quite true that a tremendous sum of money must be raised, but we must get that money in such a way as will ensure, as far as possible, that every dollar shall go into the revenue of the country, and not, as under the present system of customs tariff, have one dollar out of every four go into the treasury, the other three finding their way into the manufacturers' pockets. That is not the way to raise a revenue, especially when we are so heavily taxed.

Now, we have made some suggestions as to new methods of taxation, and they have been adopted after a tremendous amount of kicking on the part of the Government. But we have made other suggestions that have not yet been adopted, and I am glad to see the Minister of Finance in his place again. Perhaps he will try to take them into consideration. For instance, we have suggested an inheritance or death tax, or whatever you like to call it. That would no doubt bring in a great deal of money, and, it seems to me, it would be a much fairer way of raising revenue than our customs tariff. The suggestion is also made that there should be a tax on the unimproved value of lands. Our protectionist friends are very anxious to scare the farmers on this question. I do not know whether the minister has tried to intimidate them or not, but I have seen a great many scare headlines on the question, and I have heard a great many arguments advanced to frighten the farmers into believing that this tax would operate entirely against them. Surely it is a queer system of taxation that would apply only to farm lands. We could assuredly adopt some fair system of taxation on the unimproved value of lands, a system that would be fair to every one. If any one should ask me, as my hon. friends just now seem to be very fond of putting questions, I am not in a position to say just what the unimproved value of lands in the city of Winnipeg would be in comparison with the unimproved value of farm lands in the province of Saskatchewan.

Mr. CURRIE: Are you in favour of a tax on improved lands?

Mr. ARCHAMBAULT: Stand up, please, when you ask a question.

Mr. THOMSON: I am not talking about that; I am suggesting a tax on the unimproved value of lands.

Mr. CURRIE: You do not want a tax on improved lands?

Mr. THOMSON: I do not suggest a special tax on improvements of land, neither do I suggest any special tax on the fine house which I presume my hon. friend has on his city lot; but I want to tax the unimproved values of land.

Mr. COWAN: There has been a great deal of misunderstanding on that point. Is your proposed system the Henry George system of single tax?

Mr. THOMSON: I do not care what you call it; you had better wait and see what I advocate, before interrupting me.

Mr. COWAN: I want to get—

Some hon. MEMBERS: Order.

Mr. COWAN: Just a minute. I want my hon. friend to say—

Some hon. MEMBERS: Order.

Mr. COWAN: If you are scared, all right.

Mr. THOMSON: If the Henry George system is a fair system, then take it.

Mr. COWAN: Why do you not answer my question?

Some hon. MEMBERS: Order.

Mr. THOMSON: Be patient; wait and see whether I am in favour of the system or not.

Mr. COWAN: You are scared of being caught.

Mr. THOMSON: I am not very much in fear of the hon. gentleman's ability to catch me; it would take a better man than he to do so. I was discussing the suggestion of taxation on unimproved values of land, and I have not yet said whether or not I am in favour of it. So that my hon. friend, before he starts to criticize me, had better wait until he knows what my views are on the question. Let me say, for the first time, I believe the system is one that must be adopted some time or other in our country. Whether the present time is opportune, in view of the very unsettled conditions in real estate in our cities and towns, is a question that should receive some consideration before the system is adopted. But we should at once take steps, at any rate, to put a tax on unoccupied and unused lands.

Mr. CURRIE: What about farm lands?

Some hon. MEMBERS: Order.

Mr. THOMSON: I say, we should tax unoccupied lands, and there are many reasons why that should be done. I do not propose to take up the time of the House discussing them, but I might mention one reason, and that is the railway situation. I think that the adoption of this tax would relieve the railway situation to a considerable extent. It is my opinion that every owner of unoccupied land, whether in city or country, should be obliged to put a value on that land, and the land should be taxed on such valuation by the Federal Government. And the owner should be compelled to sell the land at that value whenever he gets a chance. This system would have the effect of locating settlers, who come to the country, nearer the railroads. I think my hon. friend from Regina will agree with that.

Mr. COWAN: I do not.

Mr. THOMSON: At any rate, it would undoubtedly cause the settlers to settle near the railway tracks. In this connection, I do not think it would be a bad idea to do away entirely with free homesteads. If we compelled the owners of unoccupied lands to sell, on their own valuation, at a reasonable price whenever the opportunity offered—and if you put a heavy enough tax on such lands the owners would have to sell at a reasonable price—we should then have, near the railway tracks, settlers who would produce traffic instead of rushing to outside localities and continually clamouring for branch lines, thus compelling us to increase our expenditures. I think we might well adopt this principle and put a heavy tax on all unoccupied and unused lands; and by some means or other we should compel all owners of those lands to put a fixed price upon them and to sell them, whenever they get the opportunity, upon reasonable terms, either to private persons or to the Government. I believe we could get considerable revenue under that system, and the railway situation would be very much improved thereby. At least, the suggestion is worth trying. Now, there are other means of taxation which have been suggested from time to time, but I do not propose to suggest any more at the present time.

Mr. COWAN: You had better not. Why not start a new party of your own?

Mr. THOMSON: My objection to the Budget is that it greatly increases the customs tariff and in place of putting a tax on income provides for further taxation on expenditure. I will support the amendment because I believe it is in the right direction while the Budget is in the wrong direction.

On the motion of Mr. Lang the debate was adjourned.

On the motion of Right Hon. Mr. Meighen the House adjourned at 12 midnight.

Friday, May 13, 1921.

The House met at Three o'clock.

CANADA EVIDENCE ACT AMENDMENT

Right Hon. C. J. DOHERTY (Minister of Justice) moved for leave to introduce Bill No. 156, to amend the Canada Evidence Act.

He said: The purpose of the Bill is to make a very slight amendment in the matter of procedure. It is to substitute a delay of seven days for the delay

presently fixed in the statute, of ten days, which must elapse between the production or communication of documents intended to be used upon a trial and the day of the trial itself. It is asked for by persons interested in the administration of justice, particularly in cases with regard to offences against morality, etc., the reason being simply this: that there cannot be a remand for more than eight days, and wherever documentary evidence is to be used—inasmuch as under the present law the documents have to be produced or communicated ten days before the trial—it is necessary to have a second remand. In other words, it is impossible to comply with the requirement of ten days in time to proceed at the end of the first remand. The substitution of "seven" for "ten" seems to operate no injustice to anybody; it is an ample delay, and makes it possible to proceed after the first remand.

Motion agreed to, and Bill read the first time.

JUVENILE DELINQUENTS

Right Hon. C. J. DOHERTY (Minister of Justice) moved for leave to introduce Bill No. 157, to amend the Juvenile Delinquents Act.

He said: Three amendments are proposed by this Bill. The first is for the purpose of raising from sixteen to eighteen years the limit of the age at which a delinquent may be treated as a child and dealt with under the Juvenile Delinquents Act. The House will remember that the other day we made similar amendments in the Prisons and Reformatories Act. The clause which makes this provision raising the age is suspended for the same reason for which the analogous clause was suspended in the Prisons and Reformatories Act, and the provision is that it shall come into force accordingly as it is proclaimed in the different provinces. The reason is as I mentioned the other day: it is represented that the provinces are not presently prepared to deal with the situation that would be created by this increase in age; that their institutions are in large measure organized to deal with children only up to sixteen years of age, and it is not desirable that this change should go into practical operation until suitable arrangements have been made.

The second amendment is to confer a power of postponement on the juvenile courts which apparently does not exist at the present time. This suggestion was made by a judge as the result of an inquiry which he was charged to make into the operations of these prosecutions, and it is thought that the proposed amendment will effect a very substantial improvement.

The third amendment is to increase the possible penalty of persons contributing to the delinquency of young children from one year to two years and likewise to make persons liable to that penalty without its being necessary to prove that they have actually succeeded in their attempt to contribute to the delinquency. This is effected by adding the words: "or likely to make any child a juvenile delinquent." This amendment follows upon a judgment recently entered in a case where a very young child was brought together with an older girl child by a couple of men who indulged in an orgy in the presence of this child—a most degrading and certainly a most contaminating thing. But as it was not established that the men had had any relations of any kind with this young child, notwithstanding its having been present at this orgy, it was held that they should not be convicted as having contributed to make the young child a delinquent. The purpose of the additional words is to cover cases of attempts of that kind, even if they do not involve the perpetration of an actual offence which might be said to make a child absolutely a delinquent.

The fourth and final amendment is to provide a penalty for persons who attempt to induce children to desert from the persons or families in whose custody or charge they are placed under the Act.

Motion agreed to, and Bill read the first time.

EXTRADITION TREATY

Right Hon. C. J. DOHERTY (Minister of Justice) moved for leave to introduce Bill No. 158, respecting a Supplementary Extradition Convention with the United States of America.

He said: This Bill has already been explained. It is a treaty for the purpose of adding, as between Canada and the United States, the offence of wife desertion to the extraditable offences.

Motion agreed to, and Bill read the first time.

INSPECTION AND SALE ACT AMENDMENT

HAY AND STRAW INSPECTION

Right Hon. Sir GEORGE FOSTER (Minister of Trade and Commerce) moved

for leave to introduce Bill No. 159, to amend the Inspection and Sale Act (Hay and Straw inspection).

Motion agreed to, and Bill read the first time.

PRIVATE BILLS

FROM THE SENATE—FIRST READINGS

Bill No. 147, for the relief of John Wilson.—Mr. Fripp.

Bill No. 148, for the relief of Albert Harding.—Mr. Fripp.

Bill No. 149, for the relief of Thomas Furneaux.—Mr. Green.

Bill No. 150, for the relief of Matthew John Scott.—Mr. Best.

Bill No. 151, for the relief of Dora Lucy Bell.—Mr. Mowat.

Bill No. 152, for the relief of Henry Kropp.—Mr. Smith.

Bill No. 153, for the relief of Arthur Daughton.—Mr. Douglas (Strathcona).

Bill No. 154, for the relief of Annie Maud Bell.—Mr. Boys.

Bill No. 155, for the relief of Thomas Henry Foster.—Mr. Green.

PRIME MINISTERS' CONFERENCE

On the Orders of the Day:

Mr. JOSEPH ARCHAMBAULT (Chambly and Vercheres): I should like to call the attention of the Government to a despatch which appeared in the press of yesterday, stating that the Prime Minister (Mr. Meighen) was to go alone to the Imperial Conference in June; that the Minister of Marine and Fisheries (Mr. Ballantyne) was going to start for London on June 2 from New York on a private business trip, but that he would probably attend the conference. Is there any truth in the report that the Prime Minister is to go direct to the conference, and that the Minister of Marine and Fisheries is to go to it in a roundabout way?

Right Hon. ARTHUR MEIGHEN (Prime Minister): I do not really know whether the hon. gentleman expects an answer or whether he merely wanted to draw attention to the report.

Mr. ARCHAMBAULT: I should like to have an answer.

Mr. MEIGHEN: I expect to attend the conference. No arrangement as yet has been made as regards any other minister.

On the Orders of the Day:

BOARD OF TRADE REPORTS—BLANK FORMS IN FRENCH

On the Orders of the Day:

Mr. A. M. DECHENE (Montmagny): Some little time ago I inquired from the Prime Minister if I could get a blank form in French for the report of the Montmagny Board of Trade. Some representatives of the Department of the Secretary of State came to my office and inquired what kind of blanks were required. I showed them the blank forms in English, and I asked them for blank forms in French. There is a heavy fine for delay in making the report required. The Prime Minister said the other day that he would make inquiries and let me know. Since then I have had no answer and I have not received any blank forms in French. I should like to know when we are going to get them.

Right Hon. ARTHUR MEIGHEN (Prime Minister): I remember the hon. member making the inquiry, and at the time I requested my secretary to see that the matter was looked after. I have not had a report yet, but I will promise the hon. gentleman to speak on the subject to-morrow.

On the Orders of the Day:

INQUIRIES FOR RETURNS

On the Orders of the Day:

Mr. JOSEPH ARCHAMBAULT (Chambly-Verchères): I should like to call the attention of the House to what I may call either a direct disobedience of the Orders of the House or a gross neglect on the part of the Government regarding Orders passed by the House. I would first call the attention of the Government to an Order passed on October 20, 1919, regarding the names of the shareholders of the Grand Trunk as they appeared on the books of the company on October 9, 1919. I called the attention of the House on November 10, 1919, to the order for this list, and the Minister of Justice (Mr. Doherty) replied that the list was being prepared. On June 10 last, I again called the attention of the House to the matter, and the Minister of Railways and Canals (Mr. Reid) told me that it would take seven or eight months to get the list. Those seven or eight months have now elapsed. On June 26 last, I again called the attention of the Government to the matter, and I did not get the list. The list has not yet been filed or brought down. So much for the list of Grand Trunk shareholders.

On April 19, 1920, an Order was passed for a statement showing the number of farmers who enlisted in the Canadian Expeditionary Force. On April 21, 1920, another Order was passed for a statement showing fines collected under the Inland Revenue Act for 1919 and amounts paid for collecting such fines. On April 26,

1920, another Order was passed for a statement showing the quantity of liquor imported into Canada by provinces since 1913. No returns have been made as regards these orders, although some of them are more than a year old. Is the Government still persisting in its desire to withhold information on these matters?

Right Hon. ARTHUR MEIGHEN (Prime Minister): As regards the first order, an order for the names of all the shareholders of the Grand Trunk Railway, that order was passed. There did not seem to be any reason that could be advanced why it should not be passed if it was the desire of the House to approve. But this just illustrates what may be done under the present rules. The Government has no means in the world of getting the names of those shareholders except by grace of the Grand Trunk Railway. We immediately set to work to get them, and since that time the Grand Trunk officials have been reminded time and time again that we desire those names. I do not know of any obligation they are under to give them to us, nor do I know of any way in which we can enforce the request. I am still more at a loss to understand what earthly good the information would be when it comes here. It will likely cost a very great deal of money and the cost will have to be borne by the country. All the Government can do is to request the information, and keep on requesting it, and that the Government has done.

As to the second, the return showing the number of farmers who enlisted, I presume that that requires going through the whole list of several hundred thousand of the men who enlisted, and possibly it involves inquiry as to different men as respects whom no occupation is given. I can quite conceive that months and months of work would be required for that, and I am again at a loss to understand what value the information will be when received, because many a man, though not a farmer on the day he enlisted, may have been one just a short time before that. Consequently, the information can be of no value. But the preparation of the statement called for will be of great expense, and necessarily means a matter of very great delay. I cannot give particulars as to just what progress has been made towards filling that order, but I have no doubt that every progress possible has been made.

As to the others, I do not know of any reason at the moment why they should not be down. I will make inquiry as to them. I do not recall attention having been called to them since the orders were passed.

Mr. ARCHAMBAULT: Of course, under the rules I am precluded at this stage from answering the arguments of the Prime Minister, but I would like to suggest that there be brought down the correspondence requesting the Grand Trunk management to make that list.

Mr. MEIGHEN: I do not know whether there is anything to be brought down or not. I remember speaking to Mr. Bell, the Deputy Minister of Railways, who said that he had requested the list just a short time before I spoke to him, and was continuing to request it. Whether there were letters or not, I do not know.

Mr. ARCHAMBAULT: My right hon. friend just said that there were many written requests.

Mr. SPEAKER: Order. The hon. gentleman knows that he is not within his rights in cross-examining at this stage.

Mr. ARCHAMBAULT: Steam rolling!

GRAND TRUNK RAILWAY NEGOTIATIONS

On the Orders of the Day:

Mr. D. D. McKENZIE (North Cape Breton and Victoria): I should like to ask the Prime Minister what progress he is making in the negotiations with the Grand Trunk, and if there is any fair chance of getting through the session without any further legislation in connection with that matter.

Right Hon. ARTHUR MEIGHEN (Prime Minister): The Government received yesterday, through the High Commissioner for Canada, a notification that the Grand Trunk shareholders had authorized the directors to accept the terms fixed by this Parliament in the Bill already passed. Consequently, the next duty is to have the agreement which has been prepared, and, I think, in the main assented to—I am not very sure whether all the terms were approved or not—executed by the two parties. When that is done the agreement will be brought down, and, if it is desired, any subsequent correspondence that may have passed.

THE BUDGET

DEBATE CONTINUED ON THE ANNUAL STATEMENT PRESENTED BY THE MINISTER OF FINANCE.

The House resumed from Thursday, May 12, the debate on the motion of Hon. Sir Henry Drayton (Minister of Finance), that Mr. Speaker do now leave the Chair for the House to go into Committee of Ways and Means, and the proposed amendment thereto of Hon. W. S. Fielding.

Right Hon. ARTHUR MEIGHEN (Prime Minister): Mr. Speaker, since the Budget speech was delivered on Monday last, sufficient time has elapsed to enable us to ascertain with what measure of approval it has been received generally throughout this country. Everyone of intelligence knows of course, that in common with every other country in the world Canada is just now passing through a period of readjustment, a process of deflation of values and of currency, and consequently, a process of diminishing trade and of financial difficulty; and, therefore, every one knows that the task confronting the Finance Minister was abnormal and in every sense greater than it would be in ordinary times. It therefore is surely a matter of gratification to us all as citizens of this country to know—because I submit with confidence that eyeryone in his heart does know—that on the whole the Budget statement of our financial conditions, of the condition of our trade, of the results of our taxation, of our proposed expenditure and taxation, has been well received throughout this country. I have been interested in public life for many years, and for some number of years now, too many perhaps, I have been a member of this House, and I do not think that in all that time I have witnessed a Budget statement received with such general approval as has been that of my hon. friend the Minister of Finance this year. The communications, whether direct or indirect, whether through the press or by letter that have reached the Government have been almost uniformly favourable, nor has any one outside of this House, and I think I shall show in a moment any one inside of this House, seriously challenged any fundamental article of policy in the Government proposals or seriously challenged the general trend of the financial administration which the Budget speech covers and expounds.

Although we are passing through a period of the character I have described, and although such processes are necessarily painful processes for a country and its people, it is surely something we ought to reflect on with pride that in the year covered by the Budget, our trade taken in total has actually advanced over the total of the year before; that our figures represent an annual trade of $125,000,000 odd more than they represented in the year that ended on March 31, 1920. Our imports have gone up by some $175,000,000, our exports have gone down by some $50,000,000. Our imports indeed are relatively too high. The figures as to the diminution of exports are relatively small considering the period we have passed through and the totals are gratifying to every man who understands even superficially trade conditions throughout the world.

Our general financial position too is reassuring. The revenue returns from taxation are better than anticipated in the Budget of a year ago, and we find ourselves at the end of the year having discharged all ordinary expenditure out of ordinary revenue, with a surplus left over as between those two items of some $69,000,000—$69,000,000 of a surplus, calculated in precisely the same way that surpluses in Budget speeches have been calculated throughout the whole history of this country.

But the best feature is the fact that our revenue has been sufficient to take care, not only of ordinary expenditure but, as well, of capital and ordinary war expenditure, and to leave a surplus of some $12,000,000. It is only when we take into account investments, some of an active and some of a presently inactive character, but which nevertheless are investments, in the newer responsibilities into which we had to enter—I refer to the railways—that we find we have not been able to discharge the complete requirements of the fiscal year. The interest-bearing investments we have made are mainly on behalf of our soldiers, and others are to take care of the railway responsibilities, which were not of our creation but were a heritage that we could not avoid. It is only when we take those into account that we find there was any necessity for increasing the debt at all. That, surely, under the conditions that obtain to-day, is a reassuring statement, and I can safely say that, compared with any other country, it is the best statement of any of the considerable nations of the world. I am aware that in the Budget speech

recently delivered in Great Britain they have been able to show that there has been, this year, a diminution of the debt by a very large sum, amounting to about £230,000,000: But in that connection it must be recalled that the sum is secured, and more than secured, by the sale of war supplies, and the like by a different system of book-keeping, a different method of dealing with war supplies from that which this country adopted, and that if the same method adopted by Canada had been followed there, the balance would have been entirely on the other side. If hon. gentlemen will read a book recently published in London in which a sketch appears of the war work, in connection with war supplies, of Lord Inverforth—the name of the author is not given—they will find that under the charge of that distinguished man Great Britain had sold war supplies to the extent of £800,000,000 up to October last, which amount is credited against expenditure; and, no doubt, in a very great degree due to that is the favourable financial statement which that country is now able to present. In our country, as everyone knows, we did not provide war supplies on the same system as they did. Our soldiers were supplied on the per capita basis, supplies being furnished by Great Britain overseas, we paying so much per day. Consequently, we ended the war with much less in the way of war supplies than they did; in fact, our supplies were almost negligible as compared with theirs, and, such as they were, they were placed against balances overseas. Consequently, our debt did not reach the total it would have reached if we had followed their method, and necessarily we did not have war supplies to place against expenditure, to the reduction of the debt, as did they. I mention that only to show that, in respect of the British Budget, although their appears a diminution in the debt, it is owing to the sale of supplies, and is represented, on the other hand, by an increase of debt due to the purchase of those supplies, which increase of debt we did not have, and consequently there could be no diminution here, from any corresponding sale, to set off against the debt.

I do not intend to pursue the financial phase of the Budget speech further at the present time. I want to address myself mainly, and with such brevity as is possible, to a discussion of the amendment, the challenge to the Budget, if you may call it that—although the word has a virility and masculinity that makes it wholly inapplicable to this amendment. Perhaps, in seeking to analyse the amendment, the most useful reflection at the commencement would be this: What is it that you do not find in this amendment? I will examine later what you do find; that is a much more difficult task. It must have struck every hon. member of the House, when the amendment was presented, that what we might well have looked for in it is not there. We have been promised time and time again, directly, and we have had intimations indirectly from hon. gentlemen opposite of both camps, that when we came to discuss the Budget we should find one of their tariff platforms in the amendment they would present. Well, where in the amendment, is the tariff platform of hon. gentlemen opposite? Does this amendment represent their position in respect of fiscal matters in this country? Is this the platform of the Liberal Opposition to-day? Is it the platform upon which they are going to the country? Is it the platform upon which the Agrarian Opposition is going to the country? If either supposition is correct, has the Liberal party abandoned its convention platform of 1919 and got a new one? Why have they not presented, as an amendment to the Budget to-day, the platform adopted at their convention in 1919? Has no one an answer to that? Is the 1919 platform on the scrap heap?

Some hon. MEMBERS: Sure.

Mr. MEIGHEN: We have not had an explanation in this debate, although it has lasted a week, and it is not that hon. gentlemen have not thought of the matter; it is not that they have not been reminded of it. Speaking in the Budget debate a year ago on this question, I asked them then why they did not move their tariff platform by way of amendment, instead of cutting off the main body and moving merely a section. But I was told that it would come later. I questioned hon. gentlemen angularly opposite, the Farmers' party, as to why they had not moved their platform all these years in amendment to the Budget or in amendment to the motion to go into Supply. After struggling hard to get a reason I succeeded in getting a promise from the hon. member for Victoria and Carleton (Mr. Caldwell), who told me that they would move their platform all right, and asked me just to wait and be patient. Well, I have waited another year. We are nearly at the end of another session, but no Farmers' platform has yet been moved in the House. Has the

hon. member for Marquette (Mr. Crerar), abandoned the Farmers' platform of November 1918? If he has not abandoned it, why does he not seek the judgment of the House upon it? Why does he not espouse it in this Parliament by acts as well as words? Why does he not seek to put his colleagues and his semi-colleagues on record upon it? Why does he not let the people of the country know just how every member in this House stands as regards that platform? I hope I shall succeed in prodding him up to move it. I have tried long and often. I have been told year after year just to wait for the Budget and I should get their platform. I had one explanation, I think three years ago, from the hon. member for Red Deer (Mr. Clark). After an amendment to the Budget had been moved, he came forward in a dramatic manner into Parliament and moved something pretty close to the Farmers' platform. But he found, of course, that there could be only one amendment to the Budget, and so in tears he had to withdraw his motion, lamenting the fact that the rules of the House forbade him to move a second amendment. But what about all the years since? Why did he not at least once get up and move his amendment before some one else intervened? Surely his colleagues directly opposite me are not so discourteous to him—so discourteous that they insist on being the first every year for four years running—that he cannot get his amendment moved at all; and if they are why does he not move an amendment to Supply? We know that my hon. friends opposite have been struggling hard to find amendments to Supply. They have raked all the ash heaps and the garbage barrels of politics—; everything in the way of political shoddy you could think of has been moved in this House in amendment to Supply—everything except their platform. Last night I listened all the time I could to the Chief Whip of the Agrarian party. I heard him pronouncing what the party wanted and what they demanded to have. He said: We demand free food, we demand free cement, we demand free implements of production. The fact is that is precisely what they do not demand, although in their official platform they have been preaching it for four years. Where do we find free implements in this amendment? Where do we find free food in this amendment? Where do we find free cement? Where do we find a demand for a reduction of duties on boots and shoes in this amendment, where do we find any single thing that is in the Farmers' platform of November, 1918? But the hon. member for Red Deer (Mr. Clark) says: We are in the same boat with hon. gentlemen of the official Opposition.

I would like to have been present when this amendment was being fixed up. I would like to have been around when the pruning, and the sandpapering, and the varnishing, were being applied to the verbiage in order to get the amendment in such shape that they could all get in on the vote.

I went through Western Canada last fall. On many platforms I informed the people there of the game the Farmer leaders—all incorrigible party men—were playing. The great number of the audiences were farmers, a great many of them were followers of my hon. friend the member for Marquette (Mr. Crerar), no doubt in the world about that. They know what they want out there, they know they want precisely what I said they wanted in the city of Sherbrooke in the speech criticised so severely by the the hon. member for Shelburne and Queen's (Mr. Fielding). They know they want free trade and want it mighty soon; they know they want the Farmers' platform adopted and adopted right away. They were astonished at every meeting, and I was often questioned after I was through whether what I said was really correct—that not one of their representatives in this House had ever had the courage to move their platform here. Now what is the explanation?

Mr. EDWARDS: Practical politics.

Mr. MEIGHEN: Why, of course, practical politics,—a desire to get "in the same boat" with the official Opposition. For that reason they have made themselves a political annex to that party—servile tools and minions of the official Opposition, ready to do whatever they are bid to do. If these Farmer leaders take a stand on a certain question one day they are ready to change it the next day if the official Opposition say so—they have done that very thing this session. These leaders are the tools, I say, of the official Opposition—an adjunct, an annex, and a dilapidated annex at that. If the official Opposition say, "We do not want you to run a candidate here," there is no candidate run. If the official Opposition say, "We think we can run a candidate in that county better than you can because you dare not say anything against protection there, let us have that constituency, and you keep

out; our flag is better there than yours,"—in such a case as that the leaders of the Farmers' party obey. But if the official Opposition say, "We cannot get anywhere down in such-and-such a constituency"—for example, in York and Sunbury—"we cannot do a thing there for the life of us. They know us too well. Won't you run a candidate down in York and Sunbury?" Then of course the Farmers run a candidate, and it is the free trade flag and the Farmers' platform flag and the 1918 platform that are used in York and Sunbury.

Mr. HALBERT: What about North York?

Mr. MEIGHEN: Why North York is represented in this House by an hon. member who does credit to it.

Some hon. MEMBERS: Come again.

Mr. MEIGHEN: I do not want so to disconcert hon. gentlemen that they lose their bearings altogether.

Mr. HALBERT: What about putting Burnaby in the field against the leader of the Opposition?

Mr. MEIGHEN: There is plenty of time to fix that up yet. The hon. gentleman knows, of course, that the leader of the Opposition has been struggling hard to get that matter fixed up and I do not doubt myself that he will succeed. Perhaps, of course, the play will be continued for the sake of appearances. But what I say to hon. gentlemen opposite is this: Why not throw the mask away? Why not join right up? Am I to be told that I am anxious to keep these people divided? I was paid that compliment by the leader of the Opposition last session. "Oh," he said, "you would like to divide us. We are the forces of 'progress.' The farmers may be going one way and we moving the other, but we are all 'progressing'; you want to divide us." I do not want to divide them. I think if I did that is just what would unite them. Why do they not unite? I do not care whether they divide or unite if they will really and finally say where they stand and remain there. If they want to unite let them do so. Let them then throw away both platforms and frame one on which they can both stand and then remain on it; but do not let them say that one is still back on the 1918 platform and the other on the 1919 platform, when, as a matter of fact, each of them has in this House discarded them both.

Think of the 1919 platform. Do hon. gentlemen opposite remember that convention? Do they remember the solemn words of its tariff platform, a definite real commitment? Let me see—it is not two years old yet, it is a little over a year and a half old. There were eighteen articles that were to be free. It is true eleven of them were free when the resolution was passed.

An hon. MEMBER: Yes, but they did not know that.

Mr. MEIGHEN: They had to have padding as well as substance so they said all these articles were to be free. Then there was to be a big reduction in the tariff all round. There was to be "reduction of the tariff whereby substantial reductions would be effected in the cost of wearing apparel and other articles of general consumption, other than luxuries, as well as on raw materials entering into the same." Then the British preference was to be increased to 50 per cent. But here is the solemn affirmation with which the platform ends:

—"and the Liberal party hereby pledges itself to implement by legislation the provisions of this resolution when returned to power."

Pledges itself to implement that resolution when returned to power. Well, why do they not stand by it in between? Where has it gone? Why has it not been moved this session? Why was it not moved last session? Why was it not moved the session before? Why have they each session patched up something new? Now, if I do not get an answer to anything else, may I get an answer to that before this debate is over?

An hon. MEMBER: You never will.

Mr. MEIGHEN: That interjection comes from opposite, and the man who says it speaks the truth. I wonder if hon. gentlemen really think that there is any single human being in this country who does not understand the game they are trying to play? Does any hon. gentleman think that any one is so dull that he cannot see the whole process of hocus-pocusing that is going on? Does any one believe that the farmers of Western Canada, who felt that they were deceived in 1896 by promises that never were fulfilled, and who as a consequence commenced the organization which to-day supports hon. gentlemen diagonally across the way,—does any one imagine that they do not understand what is doing at this time? Does any one think for a minute that they are going to be deceived by this amendment put up in

this debate, and by the running away from their platform on the part of hon. gentlemen of the Agrarian party in this House? They are not deceived. They who accepted a straight and direct pledge in 1893, and who know that that pledge was not carried out—and I for one say that the country was the gainer because it was not—they who accepted then a pledge that they could all understand, are not very likely to be deceived by this circuitous sinuosity that none of them can understand.

An hon. MEMBER: Order.

Mr. MEIGHEN: Some one says "order." They know that in 1893 and 1896 they were not represented by any special party in this House; they know they are to-day; and I think they know that if that party has not the courage to put its pledge before Parliament while in opposition it is not likely to have the courage to put that pledge into effect if returned to power.

Now, let me speak for a moment—

Mr. RINFRET: It is about time.

An hon. MEMBER: You are getting nailed up to the mast.

Mr. MEIGHEN: We will have lots of time, but I am afraid that time will not help my hon. friend. We have had already the assertion from a colleague very close beside the hon. member for St. James (Mr. Rinfret) that we will not have any reasons why they abandoned his platform.

Mr. RINFRET: I think we will.

Mr. MEIGHEN: He differs from his party friend. There seems to be three divisions now. Well, to abandon a platform is bad enough, but to fail to furnish a reason for its abandonment is worse, and I will give credit to my hon. friend from St. James that he, at least, having abandoned his platform, is ready to give a reason for the apostasy.

Now, my hon. friend from Red Deer (Mr. Clark) in a speech expounding the cause that he has consistently espoused in this House, but the incarnation of which in a platform even he has never dared to move, was received with cheers on the part of hon. gentlemen opposite me, although they knew that what they were going to vote for had not the remotest family connection with the cause which he was expounding, and that they themselves had no sympathy whatever with the opinions which he was expressing. The hon. member for Red Deer brought into the discussion some

4 p.m. incidents and figures to which I should like very briefly to refer. I think it is a compliment to him that he is able to evoke applause even from those who differ from him. That is because of the peculiar talents for debate that he possesses. He referred to a speech I made on the Budget a year ago, a speech of which he had a very poor opinion at the time—and I had not any very good one myself, any one in office will find that his time cannot be very much devoted to preparation of speeches—but nothwithstanding his very poor opinion of that speech he has done me the compliment of answering it repeatedly for the past twelve months. The organs of my hon. friends have been answering it too. I remember one paper in particular, published in the city of Winnipeg, which did me the very great kindness of having a lengthy reply to that speech by a gentleman called Mr. Hull, and in the same issue a very long reply by a professor from Scotland—I forget his name at the moment—and a two-column editorial as well in rebuke of what I said, ending with the statement, that the speech was not any good anyway. Well, I have nothing to say as to the remarks of the professor. They seemed to me to be charged mainly with a lot of unnecessary and unsupported sarcasm and to be perfumed with an aroma of omniscient complacency that those who profess to be trained economists only too often exhibit. But the case presented by the other gentleman, whom I do not know, did make an attempt to present something that really was material. I believe I can use the argument he put forward in respect of one phase of the subject, which I think was again referred to in this debate by the hon. member for Red Deer. I think I can use Mr. Hull's reply to illustrate just where the inherent weakness of his case comes in. The examination of this will disclose also what folly it would be on the part of a country situated such as we are to follow the trail blazed by the hon. member for Red Deer.

I refer—and I do not need to go any further, because this is really emblematic of the entire reply—I refer to the exception taken to certain remarks of mine as respects the tin plate industry of Wales and its history as compared with the tin plate industry of the United States and its history. I had stated in my address, basing my facts upon the report of a body of business experts appointed by the Government of Mr. Asquith, that the tin plate industry in Wales suffered a very severe reverse in the last decade of the last cen-

tury, and that that reverse was due to the policy adopted in respect of tin plate by the United States in 1891. I showed that in 1891 the tin plate of the United States was supplied from Wales and as a consequence that country was importing some 680,000,000 pounds a year; that after the imposition of the duty the importations went down to 28,000,000 pounds; that at the time of the imposition of the duty the production of tin plate in the United States was only 2,000,000 pounds; and that as a consequence of the duty in the course of a few years not only did imports go down from 680,000,000 pounds to 28,000,000 pounds, but the production in the United States went up from 2,000,000 pounds to 2,000,000,000 pounds. Now, it might have been expected that such a reduction of imports would be reflected in a curtailment of the total trade figures of the United States, but, instead of being a loss to the United States, that reduction of imports was an advantage. The money that would otherwise have gone out was kept within the country. There was at the same time almost a collapse of the tin plate industry of Wales; a collapse that it took it at least twenty years to recover from; a collapse, which, indeed it has not wholly recovered from yet. While that was going on there was extreme suffering among the miners of Wales, and the industries related to the tin plate industry suffered as well. On the one hand, while in England, where there was no tariff and where the home market was invaded by those who kept their own markets to themselves—while in England there was continued suffering, continued depression, continued loss of trade, there was on the part of the United States a multiplied production, a multiplied increase in trade and a multiplied prosperity.

Now, I was answered by Mr. Hull to this effect: Yes, it is true; tin plate production went up from two million to two billion pounds—went up by a thousand fold. But oh, what it cost them, he said. Why, the amount paid the first year, an amount which did not go into the treasury at all, was some $6,000,000, and the price of tin plate increased so enormously that severe injury resulted to the canning industry of the United States. The people had to pay so much for cans that the fruit rotted and vegetables rotted, and consequently it did more harm than good. That was Mr. Hull's argument. Now, let us examine with just the same care what were the facts.

Yes, there was an increase but a trifling increase in the price of tin plate. There was no increase as compared with the year 1891. I have the figures here, taken from the Metal Record official report, which will show very quickly just what were the results. In 1890 the price of tin plate, Bessemer coke per 108 pounds was $4.80; in 1891, $5.34; in 1892, $5.30; in 1893, $5.37; 1894, $4.89; 1895, $3.87; 1896, $3.63; 1897, $3.20; 1898—the last year given here —$2.99. That is to say, tin plate went up from 1891, when the duty was imposed—it went into effect in 1892—from $5.34 to $5.37 in 1893. It went up from $4.80 in 1890 to $5.30 in 1892; that is the most favourable comparison which can be taken from the point of view of Mr. Hull. Now, what does that amount to? It amounts to less than one-half cent a pound; it would add to the price of a can for the purposes of the canning industry one-eighth of one cent. That is the total amount of the increase, and one-eighth of one cent to a can is said by Mr. Hull to have been so high that it injured the canning industry of the United States. Could anything be more absurd? But what happened? It is a fact that the canning industry of the United States suffered from depression in 1891 and 1892 like almost everything else did, through over production. That is quite true, but it suffered nothing at all from the one-eighth of one cent to a tin. In the course of seven years, instead of an increase in the price of that product that they were making at home, there was a decrease from $5.34 to $2.99, or little more than half of what it was when the duty was put on. Does not that pretty well close the argument? Does it not show that in addition to securing a business which Britain had before and increasing the tin plate production from two million to two billion pounds; in addition to getting all the advantages accruing to a country from maintaining that tremendous industry at home; the advantage accruing from not sending the money outside in the purchase of the goods elsewhere; in addition to the advantage accruing to the cognate industries depending upon and getting benefit from the tin plate industry; in addition to all that they actually secured in time, by manufacturing in their own country on a tremendous scale, a very substantial reduction in the price of tin plate itself. I do not need to pursue this subject further. The same result on a lesser scale has happened in our country in relation to many articles; the same can be shown in

relation to one industry after another, but I have covered this one alone.

The hon. member from Red Deer says: We have had excellent results here; in the case of industries that had no protection I can show you, he says, just as good results from industries that have had to suffer from free trade conditions. I want to examine that statement for a moment.

Between 1896, when the Liberal party came into power, and 1911, they placed three important articles on the free list—I think I am safe in saying only three. There have been far more important articles put on the free list since, if that fact amounts to anything in the way of argument. They placed three articles on the free list: barbed wire, cream separators and binder twine. As the hon. member for Red Deer told us in such graphic fashion two years ago, he had to satisfy himself with those three articles on the free list; he kept turning the cream separator on platform after platform; he kept fraying the binder twine until his fingers were sore; and kept pulling at the barbed wire until he was badly mutilated in the process. Now he comes and tells us in this House that the binder twine industry has prospered; that instead of being an injury the wiping away of the duty was a benefit to the binder twine industry. Well, the immediate answer would be this: if such is the case, why was not the same thing done with other articles? Why did they not keep right on putting things on the free list? The fact is precisely the opposite—and I may say that I would be only too glad to be interrupted if any hon. gentleman has any fault to find with the figures that I am now going to give; only too glad in this relation as in any other in the course of my address. As regards the binder twine industry, there was a 12½ per cent duty up to 1897. It was reduced to 10 between 1897 and 1898, and then it was abolished. But what happened? We have had in the last twenty-five years 25 industries in that business, and of these 25, some large and some small, 12 have gone into liquidation, 7 have been dismantled and have had to quit business; 3 were burned down and only 3 remain, one of them, I think, the plant mentioned by the hon. member for Red Deer. I do not know that as regards any industry you are going to exterminate it wholly by putting its product on the free list, but if you had results in all industries such as have followed in this case, what condition would the industrial life of this country be in to-day? We maintain a very moderate duty on farm implements; it averages only 14.6 per cent to-day, and we have not 3 but 63 plants in that industry. But what about the 3 binder twine industries which remain? All credit to them for surviving. One, the industry mentioned by my hon. friend, I think, has a factory in Halifax and there is another in Montreal. These plants are engaged mainly in the production of other material which is covered by a duty, the binder twine being manufactured as a partial product. These facts I have from one who, I think, may be looked upon as an authority. There is another of these factories in Brantford; it is excellently managed and has been a fair success. But I think, if the hon gentleman will inquire, he will find that the reasons for that success are most unusual reasons. He will find that there have been large purchases of raw material on an ascending market and sales at an advance as a result. He will find as well, as regards one, if not two of those that survive, that the sworn testimony of the management in the case—I think it is Storey versus—I do not remember who was the defendant, in 1905—was to the effect that they could not have made a dollar under existing conditions in this country, had they not been fortunate enough to make profits in purchases of the raw material. In none have the dividends been continuous; all have had a hard struggle; and one, if not two, are engaged now chiefly in the production of other material. That is the position to-day. Because of what was done and on account, as it was stated then, of the United States giving special advantages to their manufacturers because of their relations with the Philipines, the Government of my hon. friends opposite in 1903 put a bounty on the production of binder twine, and those mills existed up to 1913 because the bounty was on. That bounty, which was paid out of the treasury of Canada, was paid, not, surely, in accordance with free trade principles. It was paid though, in order that those industries might survive. Such is the record. And all the while the wholesale price of binder twine has gone up from 7 cents to about 21 cents a pound. In this connection I should like to read an article on this subject published by a man who claims to be something of an authority and who certainly is an observer of affairs in Canada, an author for whom I have respect. The article states:

Last year—

I think this article was written in 1912 or 1913. The House should remember that the binder twine industry like many another, had advantages from the war. During the war, their American competitors were over supplied with orders. American railways were not managed as well as ours were in the way of traffic, and they were blocked. Great advantages accrued to our industries as a result. But as regards the situation up to the beginning of the war, this is what this authority has said who has made a special study of the subject. I will give his name if I am requested to do so.

> Last year, over 527 million bushels of grain were tied up in sheaves in Canada. This means that, soon binder twine will be used in this country every year for the harvesting of a billion bushels of grain. When one thinks of the vast acreage in the West still unbroken, it is impossible even to guess at the volume of binder twine to be consumed in Canada in the years to come. Yet, with the existence of such a market, comparatively little of the product is made here.

I may say that at the time the duty was taken off, we imported only about 20 per cent of our consumption; but the last year for which I have the figures, we imported over 50 per cent, and one year lately we imported 80 per cent of our consumption. The article continues:

> Our needs are really supplied by the United States. Tons and tons of flax fibre, which some day will be perfected as a raw material for the manufacture of binder twine, are going to waste on the prairies every season, all because no one can make profitable use of it in Canada. There is not even the inducement to save this raw material for the purposes of manufacturing.
>
> Such a condition exists chiefly because of an unequal competition in the binder twine trade between Canada and the United States. The advantages are with the latter country, whose larger and older and more powerful industries have not only absolutely free access to the Canadian market, but also practically monopolize the valuable supplies of raw materials in the Philippine islands. Time was, when the greater part of the binder twine business of Canada was carried on by Canadian manufacturers. To-day, an overwhelmingly large share of this business is in the hands of the so-called Harvester Trust, which does not make a pound of twine in Canada, but sends it from mills located across the line.

I could go on reading the article in which the tariff history is given, and what little success has been achieved by the surviving industries is, in this article, attributed to bounties paid out of the treasury of this country.

Mr. CRERAR: Who is the author of the article?

Mr. MEIGHEN: Mr. Norman P. Lambert, now secretary of the Canadian Council of Agriculture. I could pass from one of those classes of goods made free to another; but if I do, this speech will be much longer than it ought to be in a Budget debate.

My hon. friend frequently refers to the cream separator business. After the hon. member for Red Deer (Mr. Clark) had ceased turning the cream separator, the hon. member for Marquette (Mr. Crerar) took up the task. On platform after platform he has been turning away at those separators. I cannot understand—in fact I am pretty well convinced that the contrary is the fact—what benefit in the world has accrued from taking the duty off cream separators. One can scarcely produce any better evidence than that furnished in an article that appeared some time ago in the Regina Leader. If the hon. member for Marquette wants to know what the Regina Leader is, I can tell him that too. That journal deputed one of its staff to find out what the differences in price were between implements in the United States and in Canada. He investigated. Every one knows that you can take a place just to suit you, on the one side of the line or on the other, and you can in that way make a difference in price in favour of whichever country you like. The best case that I have seen presented by way of comparison was presented by Mr. Findley, manager of the Massey Harris Company. It seemed to be most complete, and I believe it made an impression throughout the West. His figures showed the points where the freight rates were equal and, consequently, the comparison was the fairest that could be made. Well this servant of that newspaper went over, and he brought back figures to show what difference there was between the price a farmer had to pay in Canada and that paid by his more fortunate neighbour, as they put it, across the border. He gave a list of, I think, six or seven articles and he showed the difference in price between the two countries. Will any hon. gentleman in this House be bold enough to suggest what the article was upon which the percentage of difference was the biggest of the whole seven? Well, it was cream separators. The writer apparently did not know that cream separators had been on the free list for many years, so he included them in the list, and he showed that we were paying in this country

some $80 for a cream separator which the Americans paid $60 for, or, perhaps, the prices are $90 and $70 respectively. At all events, the biggest margin of difference proportionate to cost, was in the case of cream separators. That would not indicate that we were very much the better off in point of price, to say nothing of the condition which the industry is in, because of what was done as to the duty on separators.

Mr. ROBB: Was this man giving figures for the same make of cream separator in each case?

Mr. MEIGHEN: If he were not, he was a bad representative of the Regina Leader, and I do not think the Regina Leader would be so unfair as to quote figures for one make in one country and another make in another country. Hon. gentlemen of the Farmers' party can see how suspicious hon. gentlemen opposite are toward their newspaper champions in the West.

There is only one more reference that I want to make to the speech of the hon. member for Red Deer (Mr. Clark). I am sorry I cannot engage his interest. If one cannot admire the logic of the hon. member he is bound at least to have high regard for his enthusiasm. I never knew so fertile an intellect in finding arguments for free trade. He can find one north, south, east or west, up above, down below, or wherever he looks. No matter what is the fact that presents itself to him, it is an argument for free trade. If it rains, if it shines, if it is light, if it is dark, everything is an argument for free trade. He will take any figures at all, and upside down or downside up they will show that the country with a protective tariff is going to the dogs, and that the one country that he says has a free trade tariff is prosperous. He told us that Great Britain was going strongly ahead now, and that we, unfortunately, were in a bad position. Why, he said, last March our trade went down by $100,000,000 and his hair almost turned white at the prospect before this country. I asked him later for the corresponding figures for Great Britain, and also asked him to state how our entire year's figures compared with those of the year before, and how our trade for the year compared in its progress with the progress of trade in Britain. But he told me that I would have to take whatever figures he had.

[Mr. Meighen.]

Well now, our trade in March did not go down $100,000,000. Our trade did go down in the month of March as compared with March of the year before; I do not know a country in the world whose trade did not, and everything in this world is relative. Our trade went down by $78,000,000 odd in March, export and imports added together. But what was the falling off in British trade? British trade in the month of March last went down from £307,000,000 in the March previous to £169,000,000; that is to say, by £138,000,000, or about $600,000,000 in one month. Of course, their trade is larger than ours, they are a bigger country than we are; but while their trade went down by 42 per cent, ours went down by only 32 per cent. And the hon. gentleman finds in our loss of 32 per cent in March a reason for dismay and despair and a reversal of policy, and in the British loss of 42 per cent he finds nothing but cause for good cheer.

I desire now to devote a little time to this amendment presented by the hon. member for Shelburne and Queen's. He has not been in the House very much since he moved the amendment—I am not sure that we ought to criticize his judgment in that regard. One is at least interested to know, if he cannot ascertain why the Liberal tariff policy is not moved, why at least the amendment of last year is not here. Was it the debate that took place in caucus that resulted in hon. gentlemen opposite throwing over last year's amendment? What was the fight about? What was wrong with it? Surely they could stay with an amendment for twelve months! Or is twelve months too long to abide by a policy? Last year's amendment called for a reduction of duties. It demanded that we cut down duties in order to get lower living costs, and in order to get cheaper instruments of production. Well, here is an amendment that does not call for any reduction at all. I wonder if the hon. members of the Agrarian party really saw that?—that after it had been trimmed and varnished up by hon. gentlemen opposite, they had been lined up behind an amendment that did not call for a reduction on anything. They were told they had to be satisfied with that, and must tell the farmers that that was all they could get. Last year's amendment did call for a reduction. This year all they do is to express regret that the Government did not propose reductions. Well, I suppose they do regret it;

they know what would happen any government that did; they know the spirit of this country towards any tearing down of its tariff barriers at this time. They know the whole volume of wisdom there would be, in advance of American legislation, in the face of French legislation, in the face of Belgian legislation, in the face of Italian legislation, in the face of Australian legislation, in the face of British legislation, all raising tariff barriers against this country—they know what the country would think of us if under these circumstances we started to tear our tariff barriers down. Therefore, because they would like to be here instead of us, they "regret" very much that we did not do so. But they took good care not to call for it; they took good care not to commit themselves to doing it; they took good care to be able to go anywhere in this country where it would pay them to do so and say: Don't you see there is not one word there that commits us to reduction of duty on a single article—not one? And there is not. Let us read the amendment. I have read the first clause. I now come to what I will call the tax clause:

That, while recognizing that existing financial requirements of the Dominion demand the maintenance of a Customs tariff, the House is unable to concur in the declarations by the Government that the tariff should be based on the principle of protection; the tariff is a tax—

The tariff is a tax, mind you.

—and the aim of legislation should be to make taxation as light as circumstances will permit.

Just keep that in mind. "We recognize that for good reasons we have to have a tariff, but it should not be protective at all. It should not be based on protection, because the tariff is a mere tax." See how that fits in with the next paragraph:

That the aim of the fiscal policy of Canada should be the encouragement of industries—

Now may I ask the hon. member for Red Deer, which clause is he voting for? Did the hon. member ever hear about encouraging industries by taxing them? The tariff is a mere tax, just for the sake of raising money on account of our financial conditions, but the fiscal policy of the country should be the encouragement of industries. Now if there is any human being that can put those two clauses together and get his mind on the same side of the both of them, supporting them or opposing them, that is, if he is honest with his mind, I would like to see the specimen produced. The amendment goes on:

That the aim of the fiscal policy of Canada should be the encouragement of industries based on the natural resources of the country, the development of which may reasonably be expected to create healthy enterprises giving promise of enduring success.

That is good enough for any party. But if such is the case, how is it that the tariff is a mere tax, to be made as light as possible? Let me go into that for a moment. The aim should be "the encouragement of industries" based on the natural resources of the country. Now what are those industries? The hon. member for Shelburne and Queen's told us; he gave us the key to the whole thing. The industries I would encourage by a tariff tax, he says, are those, the raw materials of which are in this country. That would be one class, and he mentioned steel; steel was very appropriate, very appropriate indeed. Why, of course, he would protect the steel industry. Such an industry would be one based on our natural resources. But hundreds of industries in this country get the bulk of their raw materials in Canada, and the purpose of a tariff, in so far as its protective effect goes, is to develop the natural resources of a country. He says further that those are based on our natural resources that get their fuel in this country. That is coal. You see where the hon. gentleman comes in. So far as coal and steel are concerned, he can go to Nova Scotia and say: "I stand up for protection to these industries." But he went further than that; he said that if an industry were based on water-power, he would protect it. He says: "If they are using water-power, why, then, that is a natural resource, and I would 'encourage' that too." And in case he should accidentally leave anything out, and thereby get into trouble anywhere, he included another class. He said: "You may have industries built up only upon the brains of the promotors of such industries"! and he gave us a beautiful illustration. He said there was a man in Scotland, in Glasgow, I think,—

Some hon. MEMBERS: Dundee.

Mr. MEIGHEN: Yes, Dundee. He said that, though there were no oranges growing in Scotland, and there was no sugar made there, a certain man had found a way to make marmalade, and having done so had established an industry based on one of the natural resources of the country. And after he got through with that classification he declared: "That is the kind of industry I would encourage"; adding the very comforting assurance that such in-

dustries would not need "very much protection." Now, I should like to know how those words accord with the declaration that a tariff should not be based on the principle of protection. What industry in the world would not come in under the class named by my hon. friend from Shelburne and Queen's (Mr. Fielding)? And he says that the tariff should be such as to protect these industries! He declares, in one clause, that the tariff should not be based on the principle of protection, and in another clause he says "the encouragement of industry" is just what it ought to be based on. Let me ask my hon. friends opposite a very plain and simple question: Is the tariff in effect in this country to-day based on the principle of protection, or is it not? Now, I should like to get an answer, even a nod, I do not care whether vertical or horizontal. But I cannot get either one. I venture to say that there is not one gentleman opposite who will tell us in this debate whether the present tariff is based on the principle of protection or not. Why, if they say no, the immediate answer is: What then do you want? If they say yes, then the answer is: Why, this is your own tariff. There have been substantial reductions since their day, but the principle of protection is in the tariff now and it must have been there before the reductions were made. The tariff of this country to-day, in every essential feature, save reduction, is the tariff prepared by the hon. member for Shelburne and Queen's himself, which he lauded to the skies year after year as complying with every requirement of protection. He tells this House that he has never given adherence to the principle of protection. I tell my hon. friend from Shelburne and Queen's that he has given adherence to that principle in every Budget speech which he delivered during the course of fifteen years in power. He gave adherence to the principle of protection in every Budget he ever brought down, and in every tariff he framed; and not only did he do so, but he admitted the fact in Budget speech after Budget speech, and I have them before me. Let us see how the hon. member did obeisance to the principle of protection. I will take first a speech he made—

An hon. MEMBER: What year?

Mr. MEIGHEN: It does not matter what year; I will read from any speech he desires, delivered by the hon. gentleman during the whole fifteen years. Here is one from the speech of April 16, 1903.

[Mr. Meighen.]

Having said that you can possibly be too protectionist, and that it is possible to go too far, he explained the kind of protection he was opposed to, doing so in such a way that he could go to any city in Canada and stand by selections from his words. He says: The protection that I am opposed to is the kind of policy that would protect the growing of tea in British Columbia or of icicles in the north. Well, what man outside of an asylum would suggest any such thing? No one ever did that I heard of. We want protection in this country the same as every other country in the world has it to-day, except Great Britain, and Great Britain has been getting there pretty fast, especially in the last week. We do not want anything in the way of insanity in protection. You can be extreme and abuse anything; we all know that. But when one says that he is opposed to such a process, and takes that as an excuse for saying in one paragraph of a heterogeneous amendment that he is opposed to the principle of protection, the thing is too absurd to admit of discussion. The hon. member said, in that speech, that there may be extremes. Undoubtedly. But are there extremes in the present tariff? If so, he is the father of them. He says:

> Then there are extremes on the other side. There are people who, relying upon the sound principles of free trade sound enough in their proper place—

He has never yet told us where that "place" is.

> —are disposed to carry them to a point which takes no account of the conditions. They seem to adopt a theory, and they say: You must carry out that theory regardless of what may be done elsewhere: Fix your own tariff policy, and never mind what is done elsewhere. Well, I am sure we cannot go as far as that. Commercial questions are every day occupying more attention in the field of public affairs. There is great rivalry among the nations; nay, there is commercial war, and in a contest of that character, it is not enough to have a good old theory; you must understand the methods whereby your opponent plays the game, so that you may be able, if necessary, to modify your views.

Does any one suggest that that is not an admission of the protective principle? What in the world does it mean? If other nations put up tariffs and we have to do the same, then is it merely to secure revenue? What difference does it make to us, as regards our revenue, whether they put up their tariffs or not? If they put up their tariffs we have to do the same to protect the industries of this country, for if we did not those countries would have the advantage over us. There is as plain

an admission, in the hon. gentleman's speech, of protection as human lips could utter,—unless perhaps a plainer admission was uttered by the hon. member himself. Later on, he said:

We have endeavoured to give the country a tariff of stability,

Every year it was a question of "stability", as if there was any need of having stable taxes:

—a tariff which, in so far as a tariff has any relation to prosperity, has been an important factor in the development of Canada the last few years.

The tariff an important factor in the development of Canada! Is a tax an important factor in a country's development? Why is the tariff an important factor in development if it is not by reason of its protective effect? This speech is an admission of the principle of protection. On June 7, 1904, he said:

This tariff has included a considerable measure of incidental protection,—

As I remarked last year, what in the world is the difference what adjective you ascribe to protection if you have the duty? What in the world is the difference what you call it?

—and in that respect it will command the admiration perhaps of some hon. gentlemen opposite who are more anxious for protection than some of us on this side of the House, I think. As to whether or not it is adequate protection—

Just listen to this.

—we have some evidence of a gratifying character that the tariff, without being excessive, is high enough to bring some American industries across the line.

Gratifying? Not sorry as he is now; not holding up his hands in warning to them to stay away if they think they need protection. Gratifying? In those days he endeavoured to bring American industries across the line—

—and a tariff which is able to bring those industries into Canada looks very much like a tariff which affords adequate protection.

It certainly did. Now does the hon. gentleman want to say that it is not an admission of the principle of protection? Everybody knows it is. Everybody knows from the experience of fifteen years that the hon. member for Shelburne and Queen's believes in the principle of protection. If he does not believe in it how can any one account for his record during those fifteen years? He then expressed belief in it on platform after platform, and I have given credit to him for adhering to it still, notwithstanding the fact that he said he and his friends would follow an entirely different principle if returned to power. I have given him credit for it because I say it was far better for his party to break a political pledge, dishonourable though it be, than to bring the industrial fabric of this country into ruin or semi-ruin. But the hon. gentleman went on:

If my hon. friends opposite wish to see some of the good results—

Good results mind you!

—of the tariff let them go up to the city of Hamilton.

This is very interesting.

—let them go to the city of Hamilton and look at the vast industries which have been established there by American capitalists who have come across the line under the operation of this tariff, and who are now engaged in carrying on very large businesses. Let them go to the city of Toronto and they will find similar organizations of American capital starting in the manufacturing business.

Starting under the tariff that he put on. How does that compare with my hon. friend's assertion now that if any company thinks it is going to get a tariff in this country to keep it going it had better stay out of Canada? And yet my hon. friend boasted when he was in office that by the tariff he had imposed, which he said was not only a protective tariff, but an adequately protective tariff—he had induced companies to come to Hamilton, Toronto and other places.

So, we are able to say that not only has the tariff been a great revenue tariff, but one which has afforded a reasonable degree of incidental protection and one which has brought about, as far as these industries are concerned, very gratifying results.

Continuing he said:

This Government can be relied upon,—

And it could all right.

—while guarding against monopolies, trusts, and combines to give reasonable aid to the legitimate industries of the country,—

Now, did they give reasonable aid by taxation or by a protective tariff?

—and to adopt a tariff policy, which will not only be a policy for the benefit of the manufacturers—

This is the hon. gentleman who says he has never admitted the protective principle.

—but a policy which, while giving them all due consideration, will have regard also to the interests of every class and section of the people and of every province in this great Dominion.

I could go further, I could go from speech to speech, but I want particularly

to refer to a speech that the hon. gentleman made when he introduced the increased woollen duties into this country.

An hon. MEMBER: What year was that?

Mr. MEIGHEN: I think that was in 1904. The Finance Minister of that day had said some woollen firms were not well managed. He went on to say that the woollen industry of the country was in a very difficult position, that it was struggling because of the advantages that competitors in other countries had over it. He said he thought something ought to be done to help the woollen manufacturers, otherwise they could not get along. Then he made this statement:

The complaint is made very largely by our woollen manufacturers and by various public men who sympathize with them that although on the better grades of goods they can fairly compete with all persons, even the British manufacturer, a very large proportion of the imports of British woollen goods coming into Canada are really shoddy goods of an inferior character, against which we ought to legislate;—

Bear that in mind—ought to legislate—

—and it is alleged that any increase which we might make in the woollen duties would have the effect of shutting out, not the purer woollen goods, but the shoddy goods. That is argued with much force, and I am inclined to believe that there is something in it.

That is, of course, very consistent with the idea that a tariff duty is only a tax to get money.

However, we propose to deal with the matter in this way: Our present duty on the class of goods which I may describe as cloths, tweeds, overcoatings, wearing apparel and goods of that character—

These are the goods he increased the tariff on. Now just watch—

—is 35 per cent, subject to the preference, which brings the duty on British goods down to 23½ per cent. We do not propose to increase the general tariff,—

It was 35 per cent.

—but we propose to put a limit on the extent to which the preference shall apply to these goods. We propose to fix a minimum tariff of 30 per cent on this class of goods coming in under the preferential tariff. This change will apply to all woollen goods mentioned in the tariff item 394 with the exception of blankets, flannels, bed conforters, and counterpanes, which are placed in a group by themselves.

Raising the duty on woollen goods from Great Britain—and in the case of every other country it was 35 per cent—from 23½ to 30 per cent because the woollen industry could not survive unless he did. And still he says now he has never admitted the principle of protection. He did the same in the case of twine and cordage, not binder twine—he raised the duties from 16⅔ per cent up to 20 per cent because otherwise the industry could not survive. Now surely I have driven enough extracts home to show that not only in speech but in practice, in every single budget effort of the hon. member for Shelburne and Queen's during the whole fifteen years he was in office he adhered consistently and determinedly to the protective principle. After he went out of office he made the same profession. Why he made it last year. He tells us now that while he would protect existing industries based on the natural resources—as he defined them in his speech—he would say to any industry that was going to start up, "If you are depending on protection, my advice is keep away, I would not have anything to do with you. But as to those that are here I do not object to protecting them because they will not want much protection." Does the House know that last year he stated precisely the opposite? Last year he intimated that as far as a new industry was concerned he would not mind it getting protection at all, but that as regards one that had become an industry of long standing he would not give it any. Where the infant had grown up, he said, and was beating the old man round the House, he would let it take care of itself. He said he never did object to the protection being supplied to infant industries. The hon. gentleman went further and he said this last year:

I do not want to insist that these departures from free trade are absolutely right, but I put them before my friends who are extreme free traders, facts which I believe can be sustained.

He says here this week there are none talking free trade at all, and he seemed about to spring across the table of the House at my throat because I had suggested at Sherbrooke that there really was an issue against free trade in this country. Nobody, he says, is a free trader now.

I believe they justify a departure from free trade principles under certain conditions. If those conditions can be limited, if we can get anybody to start any new industry—

Just listen to this.

—under the circumstances under which these were started,—

That is, the ones he started, as he explained in the previous part of his speech.

—if we can get anybody to start any new industry under the circumstances under which these were started, then I think myself that would justify a departure from the abstract principle of free trade.

So last year he told us that such circumstances would justify a departure. This year he says as to new industries "I will have nothing to do with them, but I will continue to support those which are already in the country."

Now, the hon. member for Shelburne and Queen's tried to make out that because he effected in some microscopic way, to use the language of the hon. member for Red Deer, the tariff that he found in force in 1897 when he came into power, and reduced the average tariff only from 29.9 to 29.2, or .7 of one per cent, "nevertheless," he says, "the changes were a great relief to the consumers of this country because what we did was this: We lowered on the necessaries of life, the things that the people had to have, and by doing that, although we did not reduce the general level very much, there was a marked relief to the consumers of Canada." Well, I have a list here of the goods on which he reduced the tariff. This is a sheet from the campaign literature of the Liberal party in 1904, and I want to analyse for a moment the results of these strenuous efforts of the hon. member for Shelburne and Queen's to reduce the tariff on the necessaries of life and thereby afford great "relief", as he puts it, to the Canadian people. This pamphlet says:

5 p.m.

Here is a list of articles that formerly were subject to duty and that now are free.

Now, will hon. members listen to these "necessaries of life." Mind you, you can always refer to barbed wire, binder twine and cream separators, as the hon. member for Red Deer does, but outside of those three let any hon. member go through this list and see where any duties on the necessaries of life have been cut down. The first is:

Degras oleostearine—

Has any hon. member ever heard of that? The next are:

Florists stock, as follows:—corns, tubers rhizones, auracaria, spiræa:
Indian Corn,
Seed beans from Britain,
Rape seed—sowing,
Mushroom spawn,
Artificial limbs,
Asphaltum (refined),
Religious tracts,
Clay crucibles,
Cyanogen.

And another one, if any hon. member can pronounce it: Q-u-e-b-r-a-c-h.

An hon. MEMBER: Sandpaper.

Mr. MEIGHEN: Then follows:

Extract of nut galls; Fashion plates,—

I went through the entire list, and outside of the three that I have named I admit I found one that I think in this age of decay might fairly be described as a necessary of life, and that was—false teeth.

But the hon. member for Shelburne and Queen's said that he had reduced the duty on a certain kind of cloth that the common people wore which he found taxed in every way one could think of. This cloth was subject to a duty of so much a piece, of so much a dozen, and then on that a percentage ad valorem, and he claimed that he had remedied all that and had cut down the duty to a moderate figure 20, 25 or 30 per cent. I went through the whole list to find what in the world he referred to, because I had never heard of the fact before, and the only thing that I can find in this list published by the Liberal party that would answer his description is cotton shirts. Now, what is the history of his treatment of cotton shirts? The only cotton shirts he touched were those costing more than $3 per dozen. The only duty was $1 a dozen and 25 per cent ad valorem. That, the pamphlet says, made a total of 37 per cent ad valorem, computed on the basis of the 1896 imports. Now then, will the delighted and relieved consumers be ready for announcement of the reduction that he actually made? He reduced the duty from 37 to 35 per cent.

What is the use of talking? The hon. member found a protective tariff in effect, and he kept it in effect—he scarcely changed it at all. Any change he made one could scarcely see with a microscope. When he went out of power the tariff averaged 26.7 per cent, and was in all essentials, except the three I have mentioned—and, as I say, there have been more important reductions since then than there were in the whole fifteen years he was in power—just as he found it. The tariff that he left at that figure in the fiscal year that has just passed averages precisely 21.2 per cent. Now, he says: "The tariff is a tax and you should make it just as light as you can." That is what he says in the tax paragraph of the amendment. Well, if it is a tax you can make it light in proportion to your needs I suppose; that is the only thing that will enable you to do so. What were his needs when he reduced the tariff from 29.9 to 29.2? They were

$37,000,000 or $40,000,000 a year. His needs when he went out of office and was making the tariff 26.7 per cent on dutiable goods were about $120,000,000. The tariff, remember, is a tax, and to-day this country needs, as every hon. gentleman knows, $435,000,000, and we are maintaining the tariff at 21.2 per cent. Yet the hon. gentle man challenges us in this House, and says "the main charge I have against the Government of the day is that the tariff is too high." If that is not his charge, what is it? True he has taken good care not to say it in this amendment, but if that is not his charge will he let us know what it is? If hon. gentlemen want something reduced, why does not their amendment say so? In a word, why does it not state, express and reflect the tariff programme to which they are pledged?

I proceed with this amendment. Here is the third clause:

That such changes should be made in the customs duties as may be expected—

"Such changes"—did any one notice that the word "reducion" was not there? It was there last year; it was in the Liberal platform, but so great was the strength of hon. gentlemen around him that they succeeded in getting the word "changes" substitued for the word "reduction." I continue the reading of the paragraph:

Such changes should be made in the customs duties as may be expected to reduce the high cost of living.

"May be expected to." The hon. member for Shelburne and Queen's may say in his county that the cost of living can be reduced by raising the tariff. Indeed he indicated as much in this House when he spoke of what he had done for the coal and steel of Nova Scotia. Did he not say then that his policy had reduced the price of the product?

Mr. RINFRET: What about that clause?

Mr. MEIGHEN: This clause? Will the hon. gentleman say whether it means "reduction" or "increase"? The hon. gentleman does not answer.

Mr. RINFRET: The Prime Minister says that the word "reduction" is not in the amendment, but he has read it twice. The word is there twice.

Mr. MEIGHEN: It is only there once, so far as I have been able to see. They regret that no reductions have been made, but they do not say they will do anything to bring a reduction about. Where is the other reference to a reduction? Does my hon. friend refer to that part of the clause which says "may be expected to reduce the cost of living"? Well, that is just where the joker comes in. The hon. member took care that he would be able to go to his constituency and preach the very same doctrine as that on which he was elected—the doctrine of protection.

Mr. RINFRET: How does the right hon. gentleman know? His Government has no candidate there.

Mr. MEIGHEN: Why, there is no election there, but there is an election in the county of York-Sunbury and the hon. gentleman has no candidate there.

Mr. RINFRET: I made no statement about York-Sunbury, and I do not expect my right hon. friend to make any statement about St. James when he does not know anything about it.

Mr. MEIGHEN: Unfortunately, I do know something about my hon. friend. I know the tariff platform upon which he contested his seat. I have read his speeches.

Mr. RINFRET: How do you know?

Mr. MEIGHEN: I have read the speeches and I have read some of his newspaper articles.

Mr. RINFRET: Did my hon. friend approve of my speeches?

Mr. MEIGHEN: On the tariff platform his speeches were very good, because they advocated precisely the tariff platform of this Government. All that is the matter with the hon. gentleman is partisanship; if he could get away from that he would be all right.

Mr. RINFRET: Unlike the Prime Minister.

Mr. MEIGHEN: If he would stand up for those who frankly say they are with him in tariff matters, but he and those who think with him go before their constituents and say: Why, we do not propose to reduce a single item of the tariff; we can reduce the cost of living by seeing to it that we make more things in this country; by seeing to it that we get a scale of production which will enable manufacturers to reduce the cost; by seeing to it that by competition developed through a protective tariff we bring about a reduction of prices to the consumer of Canada. That will be my hon. friend's position in the county of St. James.

Mr. RINFRET: I ask again, how does the Prime Minister know?

Mr. MEIGHEN: It is a pretty safe conjecture because that is what the amendment enables him to do. What my hon. friend is going to do I have no means of knowing except by what he did before; I presume he will adopt the same tariff platform the next time that he adopted on the former occasion. I know that his journals all through the province of Quebec—including his own journal, the one to which he sends most astounding reports from this House—are continually assuring the manufacturers and the workingman of that province not to fear anything should the Liberal party get into power. They say: "We are protectionists the same as you are; do not be afraid of us Liberals if we get into power." That is what the Quebec journals are saying, and saying repeatedly. Did the hon. gentleman ever see those sentiments in the press.

Mr. RINFRET: Do not connect me with La Presse.

Mr. MEIGHEN: Well, Le Canada, we will try that one. Did the hon. gentleman ever see in his journal any article denouncing the principle of protection? Has he ever published any such article? I read that paper occasionally, and I have never seen anything of the kind. I do not know myself of a single Liberal journal in the province of Quebec, either French-Canadian or English-Canadian, which takes any such attitude. And what about the hon. member for North Waterloo (Mr. Euler)? He is a gentleman of strong views; there are not many cobwebs in his brain; he talks pretty clearly. He made a speech the other day before the Reform club of Montreal, and I have a copy of that speech before me. Will he go back to his county and say that he voted against protection? Will he go back and say that he is against the principle of protection? Is he going to vote that way in this House? Which clause of this amendment is he going to support? Here is what he said in Montreal:

I would say that he is a bold man—

"Bold man," remember.

—who declares that one who believes that Canada should have a moderate tariff for revenue, or protection of industries and employment, was not a good Liberal.

Does it not look as if the hon. member for Waterloo could be a Liberal and at the same time a protectionist? Will the hon. gentleman vote for this amendment and still be a protectionist? I cannot get a nod from him, either; there is no reply. Of course there is a clause in the amendment to fit his case—there is one to fit every case.

Mr. EULER: The Prime Minister has the floor now.

Mr. MEIGHEN: But I want my hon. friend to explain his vote. I want him to explain which clause he will have in mind, which he is voting for and which he is voting against, when he supports the amendment—if he does; I still have some confidence that he will not support it. Listen to this protectionist doctrine as propounded by the hon. member for Waterloo:

One matter which people had to think of today was the labour question. Canadian workmen had become used to a good standard of living, and he believed—

That is, the hon. member for North Waterloo.

—that this standard should be kept up, though, perhaps, in some instances they had gone too far.

Referring, I suppose, to the workingmen.

To keep up these standards for the working people it was essential that there should not be unfair competition with countries where the standard of living was lower. Much better it would be if the standard of living in these countries were raised to the standard of that of Canada. Mr. Euler instanced the manufacture of buttons, of which article Kitchener made the total Canadian product.

I have not the least doubt that when the hon. member goes back to Kitchener his platform will be much the same as that of the hon. member for West Peterborough (Mr. Gordon); it will be a case of "Kitchener first."

And what about the hon. member for West Peterborough himself, who was elected upon a declaration that he stood "for the protection of industries and for the protection of labour?" What about the hon. gentleman's denunciation of me as an interloper and shameless intruder because I dared to say that the tariff had anything at all to do with that election. By the way, what did the hon. member for Red Deer mean when he stated that we ought to draw a lesson from the election in Peterborough? Why, the only candidate there who came anywhere near to standing on his platform—the only one who supported a policy resembling his in the remotest degree was a man who got approximately one-quarter of the votes. The successful candidate was elected on a protectionist platform; the leader of the Op-

position went there in order to see that his candidate might be returned on a platform of protection. Why, he said, this Parliament has no right to touch the tariff, and even if I were Prime Minister I would not alter one word, one schedule or one item of the tariff until we had another appeal to the people. But he since submitted an amendment in this House—and in support of it he got the vote of the hon. member for West Peterborough—the object of which was to change the tariff duties on from one hundred to two hundred articles at this session of the House. What will be the position of the hon. member for West Peterborough if he votes for this amendment? Is he, who was elected because he declared he was a protectionist; is he who was elected because he pinned his faith to protection—is he going to go back to his constituents and say: I have voted against the principle of protection? I will tell you what he is going to say: "I voted for the protection of industry based upon the natural resources of the country; I voted for paragraph 3 of the amendment.

The House will remember that the third last paragraph refers to such changes "as may be expected to reduce the cost of living." Then the second last paragraph says:

> That, while keeping this aim clearly in mind—

Just keeping it "in mind."

> —the House recognizes that in any readjustment of the tariff that may take place, regard must be had to existing conditions of trade.

Does the hon. member for Red Deer (Mr. Clark) say that in readjusting a tariff, you should have regard to existing conditions of trade? Does the hon. member for Marquette (Mr. Crerar) say that? He says that he is going to vote for that; the hon. member for Red Deer is going to vote for it; but they voted already this session for something that they said they did not believe in at all, and I suppose they can do so again—anything to get in the same boat with hon. gentlemen opposite.

> Regard must be had to existing conditions of trade, and changes made in such manner as will cause the least possible disturbance of business.

That is a new translation of the phrase that was used with admirable regularity by the leader of the Opposition (Mr. Mackenzie King) in many speeches that he has been delivering. He said: "Do not worry; when I amend the tariff, I will have regard to the needs of industry." Having overworked that phase, which was a clear declaration for protection, they change it, and they say that they will "have regard to existing conditions of trade" and see that there is no "disturbance of business." All that they will do in connection with these "changes" that may be made, "expecting to reduce the cost of living," will be to keep them "in mind." That is what the resolution says.

There is no doubt where the Government stand. There is no measure of doubt through this country. The hon. member for Red Deer, the hon. member for Marquette, everyone, so far as I know, who has spoken, clearly stated that the country could not fail to understand where the Government stood on tariff matters. It is not where the hon. member for Maisonneuve (Mr. Lemieux) says it stands, in the speech which he delivered and which contained many a sentence for which he had no warrant in the world. He said: "This Government stands for high protection." I wish he were in the chamber, so that I might ask him upon what authority he made that statement. Can he find any sentence or utterance of mine to justify him? Can he find any act of this Government or any schedule of the tariff to justify him in it, unless he admits that he himself is a high protectionist too? Upon what authority then does he make that assertion? He makes it upon no authority at all. This Government stands for the tariff that is in existence to-day, and in any adjustment that will be made we will admit the principle of protection and we will apply it, but only to the extent that we have applied it during our term of office here, namely, to the extent essential to ensure production in this country and to enable producers to compete with similar businesses in other countries. Have we ever done more than that? I ask again: What warrant have hon. gentlemen opposite, time after time, without a reference, without a single quotation from anything, without even pointing the finger at an item of the tariff, to keep continually asserting, through the press and upon platforms in this country, that this Government is a high protectionist Government? That is a misrepresentation. This indeed is their own tariff reduced.

The hon. member for Shelburne and Queen's (Mr. Fielding) accused me of misrepresentation when I told the people of Sherbrooke that there was an issue to-day between free trade and protection. I did not use those exact words, but I will not quar-

rel with them. Let me discuss that question now that my hon. friend has arrived in the chamber, and we will see whether there is an issue between free trade and protection. He says that nobody is talking about free trade now. What kind of individual is the hon. member for Red Deer (Mr. Clark)? What kind of individuals are the whole rank and file of the Farmers' party through Western Canada? Does my hon. friend believe that they are not talking about free trade? Does he believe that they do not mean to have it? I should like him to take a trip through that western country. If he does, he will see the authority upon which these hon. gentlemen of the Farmers' party are in this House. He will see the determination that is there. That party was bred out of resentment, because they felt that they were deceived in 1896 and 1897 by the hon. gentleman (Mr. Fielding) himself. Resentment is what gave rise to that party, and they have since been nourished upon those doctrines of free trade through their press by hon. gentlemen over there, by the hon. member for Marquette in speech after speech, in which he preached the gospel of free trade. Is he nobody? I know that, in latter months, now that the marriage is being celebrated little by little with the official Opposition, he has got upon the "easy stages'" course; but, as he says, it is free trade that he is heading for. He believes in free trade, and for the life of him, he cannot give a sound reason why, if free trade is as good as he says it is, he would not have it at once. The only real reason is that he wants to help his friends of the Opposition. This is what I said at Sherbrooke; I am going to read it and I commend it to the attention of hon. members of this House, to the attention of the province of Quebec and to the attention of the people of every province in Canada:

> There may be some who say that even this Farmers' party is hedging on the question of free trade yet, I know when they are seeking votes in Eastern Canada, they take pretty long chances on that subject and they hedge rather clumsily, it is true, but they try to convince those whose votes they want that they are not quite as bad as they have been painted.

This is the shorthand report of my speech.

> The policy and intent of a party can be read from several things. I would think, first, it could be read from the declarations of its acknowledged leader; I would think next, it could be read from the definite stipulations of its platform; and next, that it could be read in the minds and utterances of the great body of its rank and file. Now, let me appeal to these sources. Here is what Mr. Crerar, who leads this party, to which I am directing attention, said only about four or five months ago:
>
> "The policy of Canada for the last forty years has not been an enlightened policy."

Did that apply to the fifteen years during which the Liberal party were in power? Were not those fifteen years a part of the forty? He does not say that there are two policies; he says that there is one, but that it has not been an enlightened policy. I continue my quotation of Mr. Crerar's remarks:

> "Its purpose has been to favour certain people to the damage of the rest of the nation. This has been done through protection, or what was known as the tariff. The tariff increased the price of commodities of every kind for the Canadians. The proper way to tax the people is by direct and not indirect taxation."

And again:

> "The burden of Mr. Crerar's speech was a eulogy of the doctrine of free trade and an attack of the present fiscal policy of protection. Protection, he said, is a special privilege whereby certain men enjoy advantages that others in the community do not have."
>
> A definite free trade commitment, and that is Mr. Crerar's belief, and I know it. Speaking at Woodstock, N.B., on the 10th December last, he said—and let very man, woman and child, who depends on the industries of Sherbrooke listen to this:
>
> "If we cannot make shoes as cheaply here as they can make them in the United States, then we have not reached the time when we should be making shoes."

Where is the hon. member for Quebec East (Mr. Lapointe), who is in the "same boat" with the hon. member for Marquette? The hon. member says that we should not be making shoes unless we can make them as cheaply as they can be made in the United States. If we carried out that principle, we would have scarcely an industry in this country:

> "We should be making the things which we can produce the cheapest and trade on that basis."
>
> The man who believes that, believes in the whole abolition of the protective tariff. Again, at Brandon, on the 18th November last, here were his words ringing clear:
>
> "The policy of protection is the greatest curse and drawback we could have in Canada."

Does the hon. member see much resemblance between that and the amendment which he is voting for to-day:

> Now, you do not wonder that a sort of sub-lieutenant of Mr. Crerar's was not listened to very much in the county of Colchester, when he told the good people there that, after all, they did not want free trade. Why free trade is the very heart and soul of the whole Farmer movement and platform.

Now isn't it? Is not the cry, "On to Ottawa for free trade?" Is not that the

great prompting motive and battle cry of the farmers' movement in the West? There is no question about it:

Practically every recital in their written platform brought out on the 18th November, 1918, denounces protection as a curse in this Dominion, as an unmitigated curse in this country, and implies that the Farmers' party will not rest until protection is gone; then they declare that immediately they must have free trade in all foods, and food stuffs in this Dominion, free trade with England in five years, free trade in vehicles, including automobiles, and in cement, fertilizers, everything all down the list, leaving only a few nondescript articles that could temporarily be taxed.

Because they have a plank also which virtually calls for free trade in the necessaries of life, which, if you enact, you might just as well have free trade:

A platform that declares for that is a free trade platform.

Does the hon. gentleman deny it? I say that free trade in those things means free trade all round in so far as goods produced in this country are concerned ,and that is what free trade means. You can have a tariff and have free trade; that is to say, you can have a tariff and have no protection. Great Britain had it for 60 years. She has not it now, and when her Safeguarding the Industries Bill goes into effect they will have a protection that along with other devices employed will compare with that now existing in the United States. I think my hon. friend from Red Deer had better go back home if he wants to propagate his doctrine where it is most needed if it is of any value.

It is no information to the people of Sherbrooke to be told that this whole movement was born of the Western Prairies.

I repeat that, and I emphasize it, and I ask hon. gentlemen to repeat it anywhere they like.

This whole movement was born of the Western Prairies, the prairies from which I come, and in which I have fought the movement from my earliest days in politics, and in which I will fight it to my last day in political life. There it took its birth, there where you have the largest proportion anywhere in this Dominion—

This is important.

—composed of recent immigrants from many countries, chiefly from the United States of America. There this movement took its birth. Out of that soil it grew, and living there, as I have, for twenty-two years I tell you what I know when I say that the spirit of the movement and the intent of its leaders and founders, the determined intent of the rank and file right through the Prairies is free trade, nothing more and nothing less. Now men who want that, we know where they are. We know exactly what principle they stand for, and we are able to argue with them. We respect them, whether we differ or not, so long as they are manly and frank and tell us the principle to which they adhere.

I think I should have added "and vote for the principle to which they adhere." Such was my authority for saying that we had a free trade issue in Canada.

Mr. FIELDING: Do I understand my hon. friend is alleging that I misquoted him?

Mr. MEIGHEN: I cannot find in the speech the exact words, but I do not quarrel; the intent was the same. I did give expression to that meaning, but I cannot find the exact words. I do not accuse the hon. member of misrepresenting me, but I do accuse him of stating that I misrepresented the issue in this country, when I did not misrepresent the issue at all. I know the hon. gentleman is not declaring for free trade. I know what he is doing. I know that he is circling all round the subject, pursued by the protectionist battalions around him, and held in leash on the end of a string by the indignant free traders of the West. That is what the hon. gentleman is doing; that is the exercise he is engaged in now. It is as a consequence of that, that we are met in this House now not by the platform of the Liberal party, not by the platform of the Agrarian party, but by a sort of tautological compound that you can read anything into you like, and read anything out of you like. Such is the device to which hon. gentlemen have been compelled to resort in order to get into the same boat for the purpose of a vote in Parliament. I say again, that may work all right in this House, but I do say this: it is not making any impression on the people of this country. Its object is fully understood. Go where you will in this Dominion, and hon. gentlemen opposite will find that they have earned the reputation of refusing to be frank on the great tariff issue. I say to the leader of the Opposition that, unfortunately, such reputation particularly attaches to him. I do not know that I blame him any more than the rest. I know that he is surrounded by different opinions. I know the difficulties he is in, but I think it would be better for him to get on one side of the principle and stay on it, and take the consequences, whatever they may be. Does he now tell this House he will vote to say the tariff should not be based on the principle of protection? The hon. gentleman who moves the amendment says all that means they are not going to put a tariff on everything on earth, to pro-

tect tea in British Columbia, and icycles in Greenland, or the growing of bananas, I suppose, on the shores of Baffin's bay. Is that to be all that the leader of the Opposition means when he votes that tariff should not be based on the principle of protection? Let him tell this House plainly that if he gets into power he will not have protection in Canada, that he will not practice protection in this Dominion. I ask him when he speaks in this debate to tell us whether he will or will not afford protection to the industries of Canada. Let him say that he will afford protection to the industries of Canada based on the natural resources, if he likes, and he can change the definition of the hon. member for Shelburne and Queen's if he wants to. Let him say definitely what he will do. Will he abandon protection or will he adhere to it? I do not care a bit about the adjective he uses—not a particle. Let him tell this country whether he intends to practice protection or whether he does not. I asked, when the hon. member for Shelburne and Queen's was out of the chamber, and I appealed only for a nod, but I could not get even that from those who were in front of me, whether the present tariff of this country was based on the principle of protection. I ask my hon. friend now. There is not even a nod from him. May I ask the hon. member for Cape Breton North and Victoria (Mr. McKenzie). I want to tell him that if I read his speech aright he is as sound a protectionist as ever stood in this or any other Parliament. In the speech he made last night he told us that it was the duty of this country to take care of the workmen's families down in the province of Nova Scotia, and to see to it that the price we paid for coal was high enough, even if it was higher than we could buy coal from anywhere else, that these men might be employed and that their children who to-day are without food can get bread. That is pretty good protectionist doctrine. The hon. member says he will stand for that; he supports it, and he is going to fight for that in this House. I do not blame him, nor do I find fault with him for frankly saying in that speech that he does favour the protective principle. He has said so over and over again. How is he going to vote when the amendment comes up for decision?

Now, I have delayed the House, I had almost said unconscionably longer than I intended, probably much longer than is my due share. I have stated where the Government stands on the issue.

Some hon. MEMBERS: Go on.

Mr. MEIGHEN: I have tried also to state where hon. gentlemen of both factions of the Opposition have said they stand on the issue. I repeat, I do not care whether they get together or whether they maintain this ostensible separation. All that I appeal to them for is this: that they tell us where they stand upon this question, and that they adhere definitely, and consistently to their position in the House and out of it, both by vote and by speech. If they can get together and stand on a common footing, submitting something which they can say is what they all agree to and will perform; if they will say: "This is our platform, and we will carry this out", very well; that would be frank and honest. But let this game cease that has been played for the last two years. It is not doing any good; it is not deceiving any one; it is not doing any credit to the politics of Canada.

The manifest course for this country to pursue—and I venture to say that 75 per cent of the people of this Dominion in their hearts approve—is a policy of moderate protection in Canada. Anything also under existing world conditions would be madness itself. I have uttered these words in terms no stronger than would be used in conversation by many hon. gentlemen opposite, and I believe that it is the opinion of 75 per cent of the people of this country at the present time. Such is the policy this Government intends to pursue.

On the very eve and under the shades of the impending revision, which I fear is to be drastic, of the tariff of the United States, who is there that suggests that we at this time, should undertake to make a revision in this country? The United States, by reason of its tremendous size and industrial potency, exercises inevitably a very great influence over our commercial conditions and destiny, and we must have regard to what it does, regard ten times greater than any concern they need have for us. We are merely one factor, and a relatively small factor compared with the whole, in the considerations that determine their policy. But they are a mighty factor in the computation of conditions that determine ours. Sixty-nine per cent of our imports we buy from them. Oh, it is suggested—and really I hardly know what language I could use to describe the suggestion—that the present tariff which the United States is about to institute has been brought about, because foresooth, we did not accept the Reciprocity proposal of 1911. A more childish sugges-

tion could not be addressed to the intelligence of the Canadian people than to imply that this is penalizing legislation on the part of the United States the result of our rejection of reciprocity. May I enquire first of all how is it that they are penalizing every other country as well? The tariff which is now about to go into effect in the United States applies everywhere else, the same as here. What was the offence of these other countries? Later, they offered us wheat and products of wheat free if we would do the same for them. We accepted that proposal, and now shortly after our acceptance goes into effect the present Bill provides 35 or 40 cents duty on wheat, and 25 per cent duty on flour. Are we being punished because we accepted their offer in that respect? Why are not those duties left out of their impending tariff? They also offered us free potatoes if we reciprocated, and we accepted that offer. But the present tariff has 25 cents a bushel on potatoes. In both these instances the tariff is almost prohibitive; again I ask are we being punished for accepting the reciprocal offers as to these commodities. I pass on. We are selling the United States $542,000,000 worth of goods and buying from them $856,000,000 per year. Are we penalized because the advantage to them is not greater? Is that the case? Have we not treated them fairly? The hon. member for Shelburne and Queen's (Mr. Fielding) says this tariff is all our fault. Let me ask, in the name of Canada, what would be right treatment on our part to the United States? If conditions that enable them to sell us $856,000,000 worth a year, and buy from us only $542,000,000, are too onerous for them and too good for us, what does my hon. friend suggest? If their mind is to penalize us, if this tariff is the consequence of any resentment on their part, one would have thought that they would have acted sooner. But, on the contrary, they acted the other way. In 1913, under the Underwood Tariff, two years after reciprocity was defeated. the United States threw down the bars very largely on most of the goods included in the Reciprocity Agreement. That is the way they acted then. Why? Because they wanted to favour us? Not at all; it was because they thought it was good policy for the United States. They thought they could handle the products of Canada and become, in respect of those goods, the great distributing agents and could make a profit on the distribution. And so they did. The time has come now, however, when, by reason of conditions clearly stated in their own speeches in their House, they cannot do this any longer. They have a plethora of these goods and the farmers of the United States have demanded that as against these foreign products they be given due protection. That demand is being conceded. Hon. gentlemen suggest that if reciprocity had been accepted, and the plethora from this country had been still greater, then the United States would not take the step they seem about to take. Could anything be more utterly absurd? The conditions that brought about this change of policy in the United States would undoubtedly have been worse under reciprocity, if the reciprocity had any effect at all. And hon. gentlemen say that if the conditions had been worse the remedy would have been postponed! Well, Mr. Speaker, if this is to be the policy of the United States, they have a right to choose their path. If they so direct their steps, then it will be for Canada, under the conditions that will be forced upon us, to determine what is our course, having regard to the interests of Canada and to the interests of Canada alone.

At Six o'clock the House took recess.

After Recess

The House resumed at Eight o'clock.

PRIVATE BILLS

CONSIDERED IN COMMITTEE—THIRD READINGS

Bill No. 109, for the relief of John Edward Kelly.—Mr. Mowat.

Bill No. 110, for the relief of Annie Belle Westbeare.—Mr. Boys.

Bill No. 111, for the relief of Christina Wilson Stephens.—Mr. Mowat.

Bill No. 112, for the relief of Alice Andrews.—Mr. Hocken.

Bill No. 113, for the relief of Esther Annie Vanzant.—Mr. Mowat.

Bill No. 114, for the relief of Werden Grant Parker.—Mr. Mowat.

Bill No. 115, for the relief of James Edward Nixon.—Mr. Fripp.

Bill No. 123, for the relief of Joseph Sorton.—Mr. Mowat.

Bill No. 124, for the relief of Gladys Frances Annie Wheeler Bernard.—Mr. McQuarrie.

Bill No. 125, for the relief of William Carr.—Mr. Boys.

Bill No. 126, for the relief of Ida Florence Keenan.—Mr. Boys.

Bill No. 127, for the relief of Gertrude May Turner.—Mr. Ross.

Bill No. 128, for the relief of James Henry Bigrow.—Mr. Harrison.

Bill No. 129, for the relief of Emelina Dunsmore.—Mr. Morphy.

Bill No. 131, for the relief of Alfred William Wells.—Mr. Boys.

Bill No. 133, for the relief of Elizabeth Gertrude Conner.—Mr. Copp.

Bill No. 134, for the relief of Louise Sullivan.—Mr. McMaster.

Bill No. 142, for the relief of Lily Appleton.—Mr. Douglas (Strathcona).

Bill No. 143, for the relief of Harry Hirshenbain.—Mr. Jacobs.

Bill No. 144, for the relief of Percy Christopher Paul.—Mr. Harrison.

Bill No. 145, for the relief of John Graham.—Mr. Smith.

Bill No. 132, respecting the Maritime Coal, Railway and Power Company.—Mr. Maclean (Halifax).

LA COMPAGNIE DE TELEPHONE QUEBEC UNION ELECTRIQUE

Bill No. 38 to incorporate La Compagnie de Telephone Quebec Union Electrique (The Quebec Union Electric Telephone Company). Mr. Power, considered in committee and reported.

On the motion of Mr. Copp for the third reading:

Mr. BELAND: What is this Bill, may I ask, Mr. Speaker?

Mr. SPEAKER: It is a telephone Bill.

Mr. BELAND: It never went into committee.

Mr. ARMSTRONG (Lambton): Oh yes, it was read by the Chairman clause by clause.

Mr. SPEAKER: This Bill has been reported from Committee of the Whole.

Mr. BELAND: When did it pass the committee?

Mr. SPEAKER: To-night.

Mr. BELAND: The clauses were not called.

Mr. MORPHY: Oh yes, they were.

Mr. BELAND: They were not read.

Mr. ARMSTRONG (Lambton): Mr. Speaker, I was present this evening when the clauses were called, and they were all called.

An hon. MEMBER: But not read.

Mr. BELAND: They were not read.

Mr. ARMSTRONG (Lambton): All the clauses were not read, but all the headings were read.

Mr. SPEAKER: It is too late now to make objection to the method in which the Bill proceeded in committee. The fact is I have a report from Committee of the Whole that this Bill has been passed, and we are now concerned with the third reading. If the hon. member desires to debate the third reading, it is competent for him to do so; otherwise the third reading will have to take place.

Mr. PELLETIER: Would it be in order to move that we postpone the third reading until the hon. member who has introduced the Bill is present?

Mr. SPEAKER: I assume there is no objection to allowing the third reading to stand.

Mr. ARMSTRONG (Lambton): Mr. Speaker, if I might be allowed as chairman of the Railway Committee, this Bill has been thoroughly discussed in the Railway Committee, having taken up several days of the time of the members of that committee. I understand that Mr. Power is now—

Mr. SPEAKER: Order. The hon. member for Quebec South.

Mr. ARMSTRONG (Lambton): I am sorry, Mr. Speaker. The hon. member for Quebec South is in hospital and not likely to be out for several days.

Mr. SPEAKER: The third reading will stand.

WESTERN DOMINION RAILWAY COMPANY

On motion of Mr. H. B. Morphy (North Perth) the amendment made by the Senate to Bill No. 44 respecting the Western Dominion Railway Company was read the first and second times and concurred in.

THE BUDGET

Debate resumed on the annual statement presented by the Minister of Finance.

Mr. L. T. PACAUD (Megantic): Mr. Speaker, the right hon. the Prime Minister (Mr. Meighen) who preceded me this afternoon will not, I am sure, find me discourteous if I do not follow him closely in the remarks which he uttered. He has given to this House as leader of the Gov-

ernment, with all the authority that goes with the title, his views on the important issues now before the country. May I be permitted, Sir, in return, as a private member of this House, to express my own views on these important questions, which, I add immediately, differ materially from the views held by the right hon. gentleman?

Were I tempted to go a little further to search for a reason to justify my course I would find it in the very speech of the right hon. gentleman. I followed him this afternoon closely and attentively, and I noticed that for the greater portion of the time he cited quotations from the speeches of the hon. member for Shelburne and Queen's (Mr. Fielding)—which were the most eloquent parts of his own address—and then he directed his attention to the progressive party to settle with them a quarrel —whether it be real or imaginary I do not know—on fiscal matters. But, Sir, important as may be this quarrel, eloquent as may have been that portion of the right hon. gentleman's remarks embodying the quotations from the speeches of the hon. member for Shelburne and Queen's, delivered twenty years ago, for my part I submit—and I feel, that this is the view which the people will take that more important than all these are the problems which face Canada to-day, problems which are left unsolved as the result of the lack of decision, lack of foresight and lack of policy on the part of this present Government.

The Budget delivered by the hon. Minister of Finance, (Sir Henry Drayton) has brought once more to our attention, in a form far less encouraging than might have been expected, the very serious condition of our national finances—a condition which confronts every citizen of this Dominion. Well founded, Sir, as may be our optimism concerning the recuperative powers of our country, having in mind, as we do, the wealth and variety of its immense resources coupled with the stirring qualities of its people, we cannot, nevertheless refrain from a justifiable feeling of anxiety and of bewilderment when we stop to realize the perilous position in which we find ourselves to-day, with the evident weakness of this Government, constituted as it is, to cope with problems of such magnitude.

To have, Sir, a true appreciation of the very great importance of this debate, it is well to recall what we all know, that Budgets in this House are not distinct entities independent of each other, financial statements which can be easily discarded and forgotten so soon as a vote is taken upon them in the House. They are, on the contrary, linked together, interwoven one with the other, to such an extent that the deficit which marks his year's Budget will survive this passing parliamentary discussion and flow into Budgets that are to follow, adding to our already enormous public debt and rendering still more difficult and more remote a final adjustment of our public finances. Does not this elementary truth, Sir, in view of the precarious position in which we find ourselves to-day, justify our asserting that the very future of this Dominion depends on the decisions we take to-day, on the policies which we may adopt and follow, on the strength or weakness of the Government which will be called upon to execute the will of the Canadian people? What we affirm at the very outset is that this Government has not a sufficiently clear mandate to justify its undertaking such a grave responsibility. What we affirm is that if we are to make any headway in the great work of national reconstruction which lies ahead of us and which has been held too long in abeyance, we cannot forget, Sir, that our first task, a task which supersedes all others is to clear our decks for action, to open up a new chapter in our national history, and to put in office a strong Government, fresh from a popular victory, with a clear mandate from the Canadian people to put in force the policies—but only the policies—which have been discussed and accepted by the Canadian people.

Sir, the strength of a government is not to be tested only by the character and the talents of the men who compose it. Efficient and able as may be some of those who to-day occupy Government benches, they appear to the people as usurpers of power. We claim, Sir, that the indignation and the anger which the inefficiency of this Administration, their political methods and their policies, have aroused throughout the country have had their origin primarily in the fact that the Government have lost all control of the people; that they are no longer in touch with the people. Their holding office against all precedents and in contradiction of their own solemn pledges is a direct challenge to the people to exercise their right to choose their own representatives and their own government. But, Mr. Speaker, in this direction the Government refuse to move. Barricaded within the walls of the old stronghold of Toryism, fearing the storm and unable to muster

sufficient strength and courage to face the popular will, they prefer to remain in shelter, to cling to office and to impose on an unwilling people Tory rule and Tory methods of government.

The speech of the Finance Minister brings home to us still more forcibly the disastrous consequences to the country of this attitude, both selfish and mercenary. Let us observe, Sir, the larger aspects and considerations which impress us with the greatest force. We are called upon to raise annually about $500,000,000 by way of taxation in order that we may meet our various obligations—the interest on our public debt of $2,275,000,000, growing greater year by year through deficits which mark so regularly and so conspicuously the Budgets of the Finance Minister; the payment of our pensions; the extending of assistance to our disabled soldiers, and, in general, the defraying of the expenses of administration. But, Sir, above all, we are required to pay for the expensive luxury of keeping in power a government which has never been surpassed by any other administration for its waste, for its extravagance, and for its political blunders. This we can proclaim without fear of contradiction: the Government cannot escape its responsibility for having brought about in large measure, through their methods al administration, the conditions which to-day confront the Canadian people. Laying aside all expenditures prudently and honestly made for the carrying on of the great war, in respect of which never will rhere be a word of condemnation uttered by me, we still have Sir, the nefarious record of a government which during the last ten years has accumulated scandal upon scandal, each of which has been thoroughly sifted to the bottom and exposed to the people of Canada; which has drained the public treasury, and which has instituted a shipbuilding venture and a disastrous railway policy—its two most recent exploits.

Not only have this Government largely brought about these conditions under which we now live, but they have aggravated them still more, day in and day out, through their lack of discretion, lack of policy and lack of decision. We see ahead of us, unless we immediately change our course, the unhappy prospect of having to face a long and tedious line of enormous deficits with more and more taxation rapidly and swiftly following upon their track. What the people of Canada are demanding to-day above all is a reduction of our public debt. England has reduced her public debt this year by £156,000,000. Can Canada, a chip off the old block, do as well? What the people of Canada are demanding to-day is the wiping out of our annual deficit, the strengthening by that means of our national credit, a vigorous policy of immigration to help the Government of this country and to lower our per capita burden of debt and taxation, a recognition of the ever-increasing necessity for stimulating production in all lines of activity, and, above all, the opening of new avenues, new opportunities, for example, the development of our great national resources to help the many thousands of unemployed who are roaming the streets of our cities at the very moment that I am addressing this House. If the pursuance of such a policy should be our aim and purpose, should we not ask ourselves what are the conditions necessary to attain this ultimate success?

There is one word that comes naturally to my lips, a word that should be the very key-note of Government policy to-day, a word that has been dealt with somewhat too lightly by members of this Government. I mean the simple word "economy" in our public expenditures, without which economy all our hopes of rapid recovery would be quickly shattered. By economy,—retrenchment,—I do not mean the reduction here and there of a few thousands of dollars, as that would mean very little in the face of our present huge deficit. What I mean by economy—retrenchment as a policy—is the example of economy that a Government should give to the people, by the firm determination, that in all expenditures of public money there should be elimination even of those expenditures which in ordinary times might be considered legitimate, but which should be discarded to-day or deferred at all costs. Why? The better to relieve the taxpayers of Canada.

To prove how far this Government has drifted from this safe and sound course, to prove how little importance they seem to attach to this important phase of our economic situation, let me recall to the House two illustrations of their political methods, which have come to our notice during the course of the present session. On the one hand, we had a vote of $8,000,000 for the shipbuilding programme of the Minister of Marine and Fisheries (Mr. Ballantyne). On the other, we had a call from the Government to vote $71,000,000 of interim supply, representing one-sixth of the total Estimates. In the

first place, the Opposition fought for information which the minister refused to give. In the second place, the Opposition requested that, faithful to tradition, faithful to the best procedure in this House, the leaders of both parties should get together, so that in the expenditures of such large appropriations of money, the best interests of Canada should be maintained and safeguarded. What was the result? The better to shut out debate, to eliminate all danger of having to give the information which was sought of them, the Government immediately imposed the closure, making of this Parliament a mere tool of the Government, handing to the few men who happen to be ministers of the Crown to-day, $80,000,000 of the people's money without proper or full discussion by the representatives of the people. To pass their Estimates with the least resistance, the Government uses a double weapon; they sharply curtail discussion through closure, and they rely on all-night sittings of the House, the better to achieve the end which they have in view. This high-handed method of procedure, to my mind, at least, is no mere parliamentary incident which can be easily discarded and forgotten. It is the sapping, at its very basis, of the first function of a parliament, the control of the purse, the control of the expenditure of the people's money.

May I show this House, by an example, the great benefits that may be derived when this control of Parliament of these expenditures of the public money is maintained, respected and safeguarded by the Government? Let us turn to France. Nobody in this House would like to minimize the record of France, whether it be in time of peace or in time of war. Her strength lies in her patriotism—patriotism that places country ever before party. Let us take her Budget of 1921. It will be to us a lesson which it would be well for us never to forget. The Finance Minister of France was confronted with the figures presented to him by the various departments of the French Government. He, unhesitatingly, began his work of elimination. Estimates comprising many millions of francs were cut out, and he confidently presented to the French Parliament his revised esti mates for their perusal and consideration. What happened? The two Budget commissions of both branches of the French Parliament, with the freedom of action that was denied to us in this House under the circumstances which I related, began in turn to scrutinize the whole range of national expenditure, and as a result of their labours—labours unhampered as were ours in this House—there was a reduction in their estimates of three billion francs, accepted by the French Parliament, by the French Government and by the French people. Does this example not show us the dangerous course that we have been following? Does it not show what we have never ceased to claim that it is high time to return to constitutional practice, to put aside these autocratic methods of government which are flourishing to-day as they have never flourished before in the history of this country? Is it not fair to ask that if the Government had given this Parliament the same freedom in the voting of large appropriations of money—a freedom that ought to be guaranteed by our constitution, a freedom for which our soldiers fought and for which 60,000 are now lying in France to protest against the autocracy of Germany—should we not, like France, have been able to reduce our Estimates by many millions of dollars, and would not that have been a benefit to the taxpayers of Canada?

There is another question intimately connected with retrenchment and economy. Every member of this House will agree with me, I am sure, as to the necessity of stimulating production in every branch of industry as a means, if for no other reason, of improving our present financial position. But, Sir, to achieve this end, to reach the results which we have in view, is it not evident that every producer in Canada, if you wish him to respond to this call, should at least feel and know that no partiality will be displayed to any one section of the community to the detriment of any other section, but that all the producers of Canada will be placed on the same footing with equal opportunities.

Sir, let us watch this Government. Let us see to what extent they measure up to this standard without which their policy becomes a mere sham and an outrageous mockery. They start off on a nation-wide campaign, with a great flourish of trumpets, to instil into the hearts and minds of Canadians the necessity for work, and more work, and they couple with that advice a warning to economize—something which the Government never practice themselves—as the one and only means of improving conditions in Canada. The patriotism of the Canadian people, so severely put to the test during the years of high deeds and noble sacrifices, again asserted itself in unmistakable tones. They took the

Government at their word and responded loyally to their appeals. The Government, recognizing that production without markets in which to dispose of your products would be like a body without a soul, launched out into their new policy of granting loans and credits to foreign countries. But here, Sir, the scene changes. We find that this Government, appearing to us as preaching giants, are in reality but pigmies at work.

May I illustrate by an example that I have in mind? Let us take the credit of $25,000,000 to Belgium. I do not wish to discuss the question of the advisability or otherwise of this Government granting credits to foreign countries. That is a question to my mind intimately connected with the tariff, and would draw me away from the only point I wish to make. I might say, however, that in my view it might be a dangerous form of helping the producer, because you might hurt very considerably the whole body of consumers unless you lowered the duties on the articles affected by such credits; but whether this view be right or wrong, once the Government had decided on such a policy, what I do affirm is that there was no country in the world in which Canada could have found greater security than Belgium, a nation to which the whole allied world owes to-day such a deep debt of gratitude. We have in Belgium, Mr. Speaker, a manufacturing country, which did not need our manufacturers' goods, but wished to avail herself of this loan to secure our Canadian hard wheat. What did this Government do? They made an agreement dated March 21, 1919, by which only one-fourth of this loan to Belgium could be available for the purchase of food stuffs, thus forcing the Belgium Government against their will to purchase manufactured goods and raw materials of manufacture to the extent of four-fifths of the entire loan. What was the result? Just what was to be expected. With the exception of $1,500,000—$277,000 in food stuffs, $185,000 of which was for bacon, an article of food which made a name for itself during the war, and the balance for manufactured goods and raw materials—the credit was cancelled and the Belgium Government had to go to American bankers to secure our Canadian wheat, which they wanted to get from Canada, but which they could not get in Canada due to the partiality exercised by this Government in enforcing on a manufacturing country this agreement whereby four-fifths of the loan had to be used for the purchase of manufactured products or raw materials. To throw more light on this subject, and to establish more clearly the case that I have in view, may I be permitted to read a letter which I have received from a correspondent in the West:

REGINA, March 1, 1921.

Dear Mr. PACAUD,

I beg to inform you that I have just returned from an extensive trip in Europe. As you know I have been interested for the last ten years in grain growing in Saskatchewan, and took great pains whilst in Belgium to find out about the market conditions and possibilities for the placing of our Canadian wheat in Belgium.

Unfortunately, I have found out that millions of bushels of Canadian hard wheat have been bought in the United States because no credit could be obtained from our Government in Canada, the $25,000,000 credit which had been granted to Belgium only being available for the purchase of manufactured goods, which were not needed in an industrial country. To-day on account of lack of credit in Canada the Belgian Government is unable to fill its requirements in Canada, and would at present place its orders here, which amounts to, between 20,000 and 30,000 tons monthly, if credit could be obtained.

I believe it would be to the advantage of the whole of Canada, to do anything possible in this line, in order to secure that market and it is with that object in view that I have exposed this situation.

I hold this information from high authorities in Belgium and would apreciate it if you kept me posted by wire upon any development in this line, to enable me to inform my friends in Belgium.

I hereby authorize you to make use of this letter whenever required.

Yours sincerely,
(Sgd.) G. POOTMANS.

In this letter we have not only the evidence of partiality, not only an indication of the enormous commissions made by foreign bankers which should have gone into the pockets of our Canadian farmers, but we note above all what we have never ceased to proclaim, that this Government is nothing more or less than the willing instrument of a few citizens of Canada who have contributed to their political success and who are to-day reaping their reward and inspiring and directing the policies of the Government. This Government is to-day on trial before the people of Canada. Its whole record since 1911 is before the people of this country, and the Government is tottering to its fall. We trust that the day of reckoning is not very far distant, and we await with confidence, when that day does come, the verdict of our fellow countrymen.

Before concluding, I desire to say a word on the amendment presented to the House by the member for Shelburne and Queen's (Mr. Fielding). That amendment meets with my approval because it asserts the principle of Liberalism on fiscal matters. It instantaneously brings before my eyes

a double picture: On one side, the present fiscal policy of the Government, which is drawing the country to the verge of bankruptcy, and, on the other side, the picture of the Liberal policy inaugurated in 1896 and kept in force for fifteen years, the policy that brought to the citizens of this country happiness and prosperity, and created harmony between province and province, and between race and race,—that harmony which, in my opinion, is needed to instil into the hearts and minds of all Canadians the one thought that we should all have, namely, the common good of our common country.

Mr. R. K. ANDERSON (Halton): The speech delivered by the Prime Minister (Mr. Meighen), this afternoon so clearly answered all the arguments that have been, and can be, advanced by the Opposition that I hardly think it necessary to make any reply to the hon. gentleman who has just resumed his seat (Mr. Pacaud). His arguments were all answered in anticipation. Now, this House listened with more than ordinary interest to the Budget speech delivered on Monday, and the House and the country are both taking an increasing interest in budget speeches. The present Budget speech, I think, was awaited with more than ordinary interest by the country at large, in view of the investigations made by the Tariff Commission which, it was expected, would result in some revision of the tariff. During the past few months there has been a very decided change in public opinion on this question, and the feeling has been rapidly growing that the time is most inopportune for any drastic changes in our customs duties. I am pleased to see that the Minister of Finance (Sir Henry Drayton), in his investigations during his tour across the country came to the same conclusion, and I wish to congratulate him on his masterful presentation of the financial affairs of the country. May I also compliment him on the success he has had during the past year in making revenue and expenditure meet.

We have a huge debt of $2,350,000,000, largely incurred in the defence of the country, and I am sure that every citizen will agree that the safety of Canada is well worth the expenditure of that money. While we do regret the fact that our
9 p.m. debt is so tremendous, still I do not believe any one would criticise the expenditures that were necessary for our participation in the war. Every citizen of this country shares equally in the blessings of peace and liberty, purchased by the blood of our sons and the money which we spent, and every citizen therefore owes it to the state cheerfully to shoulder his fair share of the burdens that come to us after having won the war. We need a revenue many times greater than was necessary in pre-war days, and I think this fact is readily conceded by both sides of the House. The only question in dispute is as regards the method by which we should raise that revenue. The ordinary citizen will defend his pocket almost as fiercely as he would his life, and any injustice in the matter of taxation, whether fancied or real, is a cause of resentment and dissatisfaction. But the people of this country, if they are properly informed, are perfectly willing to pay their taxes, and if the country is to remain solvent, it must pay its debts. Now, the Government has but one way of raising money, that is, by means of taxes from the people themselves. One of the essentials of taxation is that the method be as simple as possible, in order that the average citizen may be made fully to realize his duty and to appreciate his personal responsibility to the country's obligations.

The task of raising revenue for this country in pre-war days was a very simple one compared with the same task to-day. If the Minister of Finance were required to raise to-day, as in 1897, only $42,000,000, he would consider it a holiday. He would attend to the matter before breakfast and go golfing in the afternoon, leaving the details of such a Budget as that of 1897 to his office boy. The growth of Canada's expenditures since the year 1867 has been steady, and to show what it is to-day, as compared with former periods, I shall give the figures at the end of each decennial period.

Year	Form of Expenditure		Total Expenditure
1868			$ 14,071,000
1877			32,507,000
1887			41,504,000
1897			42,972,000
1913			144,556,000
1917	Ordinary.	$191,815,000	
	War	306,488,000	498,303,000
1920	Ordinary.	397,843,000	
	War	345,920,000	743,763,000

Thus it will be seen that the expenditure of 1920 was five times as great as that of 1913, and seventeen times as great as that of 1897, when the hon. member for Shelburne and Queen's was Minister of Finance. This shows a huge increase in public expenditure since Confederation, and it demonstrates the increasing difficulties which the Minister of Finance to-day encounters in raising the necessary revenue. The sum of $42,000,000 in 1897, and $144,000,000 in

1913 look small compared with $743,000,000 in 1920. In view of these facts, every citizen in the country should cheerfully do his best to help the Minister of Finance to cope with the difficulties of the situation. The minister's task is a stupendous one which requires a big man, and I compliment the country on having the right man in the right place.

The peak has been safely passed; Canada is able to meet all her obligations, and is in better financial position to-day than most of the Allied powers. We can look forward to a material decrease in our annual expenditures, but our funded debt will remain to remind us of the strenuous years through which we have passed. Although our expenditure has increased in such measure since 1867 we have grown in other ways to meet it, and this shows the wonderful progress and the indomitable spirit of the Canadian people. In this regard we emulate the spirit of our soldiers, their prowess, their courage and their self-reliance which enabled them to fill the breach at the battle of Ypres and saved the day for the civilized powers.

A short glimpse of our increase in trade and commerce since 1867 is very interesting. I will give it in decades.

Year	Total Trade Exports & Imports	Increase amount	Increase per cent
1868.....	$119,500,000		
1878.....	169,500,000	$50,000,000	42
1888.....	190,500,000	21,000,000	12
1898.....	286,000,000	96,000,000	50
1908.....	615,000,000	329,000,000	115
1918.....	2,548,000,000	1,633,000,000	312

Taking the whole period from 1867 to 1920 the increase was $119,500,000 to $2,351,000,000, an increase of 2,000 per cent. Taking the period from 1900 to 1920, the first twenty years of the present century, our trade increased 600 per cent. Now when we compare these increases with the trade growth of our two most progressive competitors in the commercial world, England and the United States, we find we make a very favourable showing. As I have already mentioned Canada's increase of trade in the first twenty years of this century was 600 per cent. In the same period England had increased 200 per cent , and the United States 473 per cent. Now with regard to England that comparison is possibly not quite fair, because England was at war and her trade and commerce was very much interfered with; but if we take Canada and the United States the comparison is really against the neighbouring republic because they had a better opportunity to progress. They were three years later in entering the war than the Dominion of Canada, and yet during that period we have a very comfortable margin of 121 per cent of increase during the first period of the twentieth century. If we compare Canada and the United States for the whole period from confederation to the present time, when the two countries were working under similar conditions, we find that we have still a very confortable lead. From 1868 to 1920 the increase of trade in Canada amounted to 2,000 per cent; during the same period the increase of trade in United States, was 1,700 per cent. We therefore lead them in this respect also by 300 per cent. Surely the hon. member for Red Deer (Mr. Clark), who tried to establish the other day that our trade was not increasing to as great a degree as that of these other nations can hardly get over those figures. If he looks up the Canadian Almanac he will find the figures substantially correct; he will also find them in the census returns for the Dominion of Canada.

Now let us take Canadian manufactures during the same period. We find that in 1871 we had capital invested to the amount of $77,964,000. In 1881 the capital invested amounted to $164,957,000, an increase of 111 per cent. In 1891 the capital invested amounted to $331,635,000, an increase of 101 per cent. In 1901 it amounted to $446,916,000, an increase of 34 per cent. In 1911 it had become $1,247,000,000, an increase of 179.15 per cent; while in 1917 it had become $2,786,000,000, an increase of 123 per cent. In 1900 there were 14,650 manufacturers in Canada. In 1917 the number had grown to 34,392, a good deal more than an increase of 100 per cent. These figures surely demonstrate that Canada has been progressing since Confederation to a very marked degree.

Now, Mr. Speaker, if we examine our increases in population since Confederation, and compare them with the same two countries, we find that our showing is very favourable. The comparison is set forth in the following figures:

	Population 1861	1901	Increase per cent
Canada.....	3,090,000	5,371,000	73%
England.....	28,907,000	41,450,000	30%
United-States.	38,558,000	75,994,000	97%

This will show that the whole period since 1861 Canada has maintained her position in growth of population with these two countries.

You have frequently heard the expression that the nineteenth century belonged to the United States but the twentieth century would belong to Canada. It is interesting to note, in this connection, that in the first decade of this century Canada has fulfilled that prophecy.

Comparing the population of these same countries between 1901 and 1911, we find:

	1911
Canada,	7,206,000, an increase in 10 years of 34.17%.
England,	45,221,000, an increase in 10 years of 8.7%.
United States,	91,972,000, an increase in 10 years of 21. %.

This shows that in the first ten years of this century Canada leads the United States in increase of population by 13 per cent. According to the report of the census commissioners of 1911, our increase of 34.17 per cent was the largest percentage of increase in population of any country in the world.

Now, Mr. Speaker, I am endeavouring to show that our increase in trade and the important increase in the number of manufacturing concerns, the capital invested and the value of the output was far in excess of our growth in population and cannot be ascribed to that source.

As I have shown, our trade increased 2,000 per cent since 1868 while the manufacturing industry increased from a few industries in 1867 and a capital of $77,000,000 in 1871 to the respectable showing of 34,392 concerns, having a capital of $2,786,649,000 in 1917. The fact that our population increased during the same period by 101 per cent clearly shows that we must look to other causes than the increase in population for an explanation of the rapid rise of Canada in the economic and industrial world. It is not a question of mere numbers.

We may very reasonably, I think, find some of the causes in the country itself. There are several factors, to my mind, that can reasonably be regarded as contributory causes of our growth,—first, the country itself; second, the character of the people; third, our fiscal policy and fourth, the extraordinary events of the last six years.

Canada of course is the greatest factor in our growth. Without natural resources to produce wealth no people could progress. You cannot trade with other nations unless you have something they need and want. Canada has the territory, the soil, the natural resources, the raw material, the products of which other people want and in that respect she is the richest nation, per capita, in the world.

Our people are energetic, self-reliant, and progressive and are awakening to a sense of nationhood. The fiscal policy pursued since 1878 has done much to develop that sentiment. It has fostered our manufacturing industries, stimulated agriculture and produced a spirit of commercial independence and self-reliance that is beginning to give results—indeed, has given results.

The Great War with its imperative demands for extraordinary effort to meet the exigencies of a perilous situation spurred our people to superhuman efforts in all lines of industry that had been established largely through the protective policy pursued during the last forty-three years. Germany was preparing during all that time for the Great War and apparently Canada was too—the one intentionally the other unconciously.

Had our agricultural and manufacturing industries not been fostered our war effort, of which we are so justly proud, would have been impossible. Our manufacturing plants were soon changed to a war basis for the making of munitions and our agricultural industry was stimulated to make up the deficiency in food due to wastage and lessened production in other lands. We were thus enabled to take advantage of the extraordinary world conditions, and our trade increased enormously. With the impetus given and the prestige acheived we have been able to increase our trade and advance our position in the world to a very marked degree. Canada has all the elements of greatness in a superlative degree. We have a vast extent of territory to be settled by immigrants from the British Isles and the teeming centres of Europe. I am not in sympathy with those who would shut our doors in the face of the newcomer. Population doubled in the next quarter of a century is the solution for our national debt and our railway problem. I believe in stimulating immigration from the British Isles and northern Europe. I believe in admitting only those who are physically fit and mentally sound so far as a rigid medical examination at the ports of entry can ascertain. I believe in having a standard of education for the immigrant before giving him full citizenship rights, and I would not give him those rights until he had resided here for five or ten years. Our climatic conditions are such that they will attract the most virile

races from northern Europe, and I feel every confidence that we can develop on this part of the North American continent a nation that will be able to hold its own with the best in the world.

So far as the future of Canada is concerned, I am a consistent full time optimist. We have a great variety of natural resources to be conserved for future generations of Canadians. I believe that our raw materials should be manufactured here in order that we may be able to build up a self-sustaining independent nation, so far as it is possible to be independent having regard to our international obligations. I would not carry out any selfish policy in this regard. I believe that we cannot shut ourselves off from the rest of the world, and that we should have due regard for the needs of civilization. We have transportation facilities furnished by nature which reach to the very centre of the Dominion. The Hudson bay and our Great Lakes, assisted by engineering skill, will some day settle the question of getting the produce from our great Prairie Provinces cheaply and expeditiously to the markets of the world. Our natural resources in land, forest, stream and mine are so multifarious that they lend themselves to all kinds of human effort, and they should be developed as a whole the one assisting the other. A one-sided development would be fatal. The manufacturing industry and agriculture should go together. To be independently great, a country must be able to minister to the wants of its people, not only with regard to the necessities of life but also the comforts of life, and this Canada will be able to do if our natural resources are developed on truly progressive lines. This is one of the lessons taught us by the great war. When we were cut off from the manufactured products of Europe we realized that we were using many manufactured articles which we could produce at home. Although our basic industry is agriculture—and it should be stimulated to its highest perfection— we should not lose sight of the fact that a prosperous agricultural community depends upon the growth of our manufacturing industries to absorb the products of its soil and minister to its wants. We should also remember that prosperous manufacturing industries depend on the prosperity of the agricultural community. Although foreign market is absolutely necessary for our surplus products, the home market is indispensable. It is always here, and it is regulated by supply and demand. And I might say that I am not in favour of Government control of prices. The ill-fated Board of Commerce in its short career—and it was none too short—demonstrated absolutely the futility of regulating prices by Government control. Government control of the prices of selected commodities, while others are left free, is an abuse of authority and creates discontent. I believe the Board of Commerce will not be revived, and I hope that it will not be. These are some of the reasons, Mr. Speaker, why Canada has kept pace with other countries and maintained and improved her position, and they are the reasons which will cause us to forge ahead in the future, if we are wise enough to abstain from the free trade heresies of the Opposition.

With regard to protection, that is the policy which I believe will make us independent. I am not a high protectionist; I believe in moderate protection which, as the Prime Minister has said, will enable our industries to maintain their position and not be put out of business by foreign concerns. The fact that this policy has been kept in force by both the great parties while they have been in office since 1878 ought to be evidence to any person that it is the best policy for Canada. During that time it has been endorsed by the people every five years, showing that the majority of the electorate are in favour of a protective policy. But as experience has not convinced some members opposite, I am going to give a few extracts from speeches of prominent Liberals in years gone by, who in certain measure at all events were in favour of protection. In looking for some of these extracts I naturally went back to the time when the now famous National Policy was introduced. I read some of the speeches made between 1876 and 1879, and curiously enough in a speech delivered by the late Right Hon. Sir Richard Cartwright I came upon a passage which I consider a very good argument in favour of protection, although he gave it as an argument in opposition to it. This passage will be found at page 446 of Hansard of 1879. It was delivered by Sir Richard Cartwright in reply to the Budget speech of the late Sir Leonard Tilley in the first Parliament after the initiation of the National Policy. Sir Richard said:

> This tariff assuredly cannot stand.

In the light of forty-three years' experience hon. members opposite will be able

to see how great a prophet Sir Richard Cartwright was. He continues:

Manufacturers will obtain no permanent relief from it.

That, too, in the light of forty-three years' experience indicates again what kind of a prophet Sir Richard was. Hon. gentlemen opposite will not agree with that. They have been saying for a number of years, particularly the years when they were in opposition, that the manufacturers were receiving too much permanent relief from the tariff. They have been talking a great deal about the "big interests," and I notice the hon. gentleman who preceded me (Mr. Pacaud) also gave them his attention. It is a notable fact that hon. members opposite had nothing to say about the big interests when they were in power. Evidently it makes quite a difference whether they are in opposition or in power. Sir Richard continues:

For one, two or three years they—the manufacturers—may succeed in making considerable profit out of the operations of the tariff, but in the end they will find that it was the greatest misfortune to encourage the undue home competition which will inevitably take the place of the foreign competition of which they complain.

Now, Mr. Speaker, I contend that that is a very good argument in favour of protection. In fact, it was the reason given by the late Sir John Macdonald for the introduction of the National Policy. He claimed, as members on this side of the House still claim, that protection would bring the foreign manufacturers to Canada and induce them to establish their plants here, which would give employment to our artisans and create a market for our farm products. That is exactly what has been done in the past and what it is claimed will be done to-day, and yet Sir Richard Cartwright gave it as an argument against protection. Surely, he was in error when he said that undue competition created at home would put our manufacturers out of business. I should say that any manufacturing concern, which in the same country and under the same conditions, could not compete with its neighbour, should go out of business; there is something wrong with it. Either there is inefficient management, or they are turning out an inferior product, one which the people will not buy.

Sir Richard Cartwright certainly was no protectionist. In order that hon. gentlemen may not think he was a protectionist I will read to you what he said in 1890.

[Mr. Anderson.]

Sir Richard Cartwright was afterwards Minister of Trade and Commerce in the Cabinet of Sir Wilfrid Laurier. He said:

I stand by the declaration I have made that protection is nothing more than deliberate, legalized and organized robbery.

That shows that Sir Richard Cartwright was no protectionist. On page 110 of Hansard of 1876 the Hon. Mr. Paterson made certain remarks with regard to protection. Hon. gentlemen know who Mr. Paterson was; I believe he was in the Cabinet formed by Sir Wilfrid Laurier in 1896 and he it was who, with the hon. member for Shelburne and Queen's, negotiated the Reciprocity Pact in 1911. Mr. Paterson said:

I am not a protectionist. . . . but I must admit I am in favour of a defensive policy.

That is very interesting at this time, when it is obvious that we should initiate a defensive policy against the principles enunciated by the Young Bill which has been introduced into the House of Representatives in the United States, embodying the policy of increasing the tariff duties against Canada. I assume that if the Hon. Mr. Paterson were alive to-day he would advocate an increase in our tariff duties. When in 1876 he made the statement to which I have referred, Canada was in the midst of the most serious trade depression which she has ever experienced. So great was it that Parliament gave it special consideration, and in 1875 a resolution was introduced into the House and a committee appointed "to inquire into the causes of the present depression in the manufacturing, mining, commercial, shipping, lumbering, and fishing interests." The report of that committee can be found in the journals of the House for the session of 1876. In that report it was stated that "the causes of the depression are quite beyond legislative control in this country." Sir Richard Cartwright, although in favour of a defensive policy, sat in the House at that time, with the report of that committee before him, and made no effort in a legislative way to remove the trade depression in Canada. At that time the farmers were receiving about eight cents a dozen for their eggs and ten cents a pound for their butter. But Mr. Paterson continued, page 111 of Hansard of 1876, as follows:

The Administration should protect our agricultural interests. . . . The other year the Finance Minister in revising the tariff gave some encouragement to an industry which we never had before. The result was that a thousand

men who were engaged in that industry in Germany were literally transported, by the change in the tariff, to Canada and set to work here. The cost of the article was not increased one iota, and Canada got all the benefit.

Surely that is a splendid argument in favour of protection. The probability of bringing to this country from Germany a whole manufacturing industry, with its employees, their wives and families—perhaps five thousand people in all—creating a market for our home produce and not increasing the price of the article in question, is the strongest argument you could use in favour of protection.

I believe, Mr. Speaker, that manufactures which are suited to the country, in respect of which we have the raw material to be turned into the finished product, should be protected. It is in our own interests that these manufactures should be protected. Protection is of use to the manufacturer, but unless it can be proved that it is of use to the whole country as well it is untenable as a policy. I do not support protection simply in the interests of the manufacturers; I support it in the interests of the whole country, those of the farming community included. It certainly can be established that the farming interests of this country are in favour of protection. I know that the farmers in my own county, whether engaged in mixed farming, fruit growing, or dairying, are largely in favour of protection. Those engaged in the fruit growing industry are, I think, without exception, in favour of protection. I have had many conferences with them, and they have so expressed themselves. The experience of the Tariff Commission as it passed through the farming communities certainly goes to show that the farmers are alive to the benefits and advantages of protection.

Now, in 1854 Canada had a reciprocity treaty with the United States. It was to operate for a period of ten years and was renewable, but could be abrogated by either party giving one year's notice. From 1861 to 1864 the United States was in the throes of civil war, and in 1864 they notified Canada that they intended to abrogate that treaty, which they did in January, 1865. The reasons which they put forth for abrogating the treaty can be found in the Congressional Globe of 1863; they were presented during the course of the debates that took place in the House of Representatives of the United States by several members who spoke to the resolution in favour of the abrogation of the treaty. One of the first reasons given for the abrogation of the treaty was that the United States needed more revenue to meet the excessive cost of the war, and in order that they might be able to meet the extraordinary expenses and the great need for revenue, the duties which had been taken away by the reciprocity treaty should be restored. Surely that argument suits Canada to-day. We have recently emerged victorious from a great war. We have a great expenditure, a large debt to meet, a large revenue to raise; consequently we need the taxes and we need the revenue. If in 1865 the United States, with 40,000,000 people, needed protection against a country of three and one half millions—which was the population of Canada at that time—surely in 1921 the people of Canada, numbering eight millions, need protection against a people of 110,000,000. We are in a worse position to-day than the United States was in 1865; and yet that was the attitude they took.

The second reason given by the American Congress for the abrogation of the reciprocity treaty was that they wanted to check the flow of imports and increase their own exports in order that the American dollar might be brought back to pre-war value as soon as possible. Surely that argument is applicable to Canada's position to-day. Exchange was running high against the United States in 1865; I believe the value of their dollar depreciated to about 60 cents—worse than ours at the present time. Accordingly, the means they adopted to bring their dollar back to its pre-war value was to raise their tariff against imports, thus excluding imports and increasing the revenue. Exchange is running high against us to-day; we need to check the flow of imports into Canada.

The other reason given by the Americans was that they considered it a wise policy and in the interests of the country that they should take every means to build up American industries in order to keep American labour and American money in their own country and thus provide a market for the production of their farmers and employment for their people. That is another argument which applies to Canada to-day. We need to practise the same policy; we need to build up our manufacturing industries, to have a market for our farm produce and to keep our people at home.

I submit that members of the Opposition who vote for the resolution introduced by the hon. member for Shelburne and Queen's (Mr. Fielding) are necessarily supporting

the view that we can get along with less revenue. The amendment sets forth no means of furnishing the revenue which would be taken away through the removal of customs duties. The hon. leader of the Agrarian party (Mr. Crerar) says that he would put a tax on land values throughout Canada and thus make up the loss in revenue occasioned by the reduction in duties. The leader of the Opposition (Mr. Mackenzie King) fails to state by what means he would make up that loss.

I have mentioned casually the home market, and I believe the home market is indispensable to the Canadian farmer. The hon. member for Red Deer (Mr. Clark) would do away with our home market; he would practically put it out of existence for the Canadian farmer by introducing free trade. The other day he mentioned that he would remove the tariff duty on fruit and that, by that means, he would assist in paying the deficit on the Canadian National Railways. He would aid the Canadian National Railways by having them bring in the strawberry in the spring and take back the juicy grape in the fall. The hon. member for Red Deer would actually ask the fruit growers of the Dominion of Canada to pay the deficit on our National Railways. I think the hon. gentleman would not be well received if he preached that doctrine in the fruit-growing sections anywhere from the Atlantic to the Pacific. If that policy were brought into effect, the fruit-growing sections of the Maritime Provinces, Ontario and British Columbia would be ruined. The hon. member's vision of the extent of this country is limited by the horizon which is revealed to him as he looks across the undulating prairies, and in that way he views the fruit sections of this country. The home market was indispensable in the opinion of John Charlton who, in 1876, said, as reported on page 313 of Hansard of that year:

> I believe that the interests of the nation at large would be promoted by judicious protection; I believe that the agricultural interests of the Dominion would be promoted by protection, and that the manufacturer, being brought to the door of the farmer, would afford a market for a great many articles of produce that would not be salable if the market were 3,000 miles away.

Surely, that is good argument in favour of the home market. The constituency which I represent is interested in mixed farming and fruit-growing. The fruit-growing industry is in close proximity to our Ontario cities. Fruit, especially small fruit, is a perishable product and it must be marketable quickly to ensure full returns. Most of it is sold in the cities of Hamilton, Toronto or Montreal, and without these cities the fruit business would languish and die. Large quantities are also sold to the canning companies in the county as well as those in the neighbouring cities.

I am sorry that the Minister of Railways and Canals (Mr. Reid) is not in his seat. These fruit growers are badly handicapped on account of lack of railway transportation, and, apparently, the railways do not cater to this trade. These fruit growers need refrigerator cars to enable them to get their fruit into the cities and larger towns of northern Ontario, and I hope the Minister of Railways and Canals will take the matter into consideration when he gets hold of the Grand Trunk and will see that these people have better facilities in this regard.

The whole southern section of the county of Halton, stretching along the shore of lake Ontario, is the finest fruit-growing district in America. All kinds of fruits and vegetables are grown and sold in the nearby cities and without these cities the fruit-growing industry in Halton would be nil. For these industries the home market is the only market as they could not compete in the American market with American producers on account of the increased cost of production and the following reasons, namely:—

(1) The American fruit is two or three weeks earlier on the market, and the cream of the prices is gone before our fruit is ready for sale.

(2) The cost of production is less in the United States on account of climatic conditions—less labour is necessary to protect the tender plants from frost in the winter and spring. The Canadian grower must provide himself with frame-yard room and sash and fertilizer to grow his seedling plants and protect them from the chilling winds of spring. This is not necessary or as expensive in a warmer climate.

(3) Top dressing with straw, involving time and labour, is absolutely essential in this country and not necessary in the United States. The Canadian producer must also employ his help longer in the year on account of these extra precautions, and that adds materially to the cost of the article as compared with the cost in North and South Carolina, Virginia, Tennessee and New York.

If we open our markets to American fruit, the early market of the spring would be entirely in the hands of the American fruit-grower and by the time our fruit came in, the cream of the prices would be

reaped by the American producer. The first fruit in the spring is always the sweetest and the people will buy at prices that would not tempt them in another two or three weeks, when the appetite has become sated. Take off the duty on fruits and allow our market to be flooded in early May, and you will ruin the small fruit industry, not only in Ontario, but for that matter in the Dominion of Canada.

The section of Ontario along the shore of lake Ontario from Toronto to Hamilton, and including the whole Niagara peninsula is a veritable Garden of Eden, not surpassed in beauty and prosperity and in sturdy citizenship anywhere in the British Empire. In ruining the fruit industry in this section, you will strike a deadly blow at the future of the cities and towns in western Ontario, and throw out of employment thousands of persons engaged in the industry. Bound up in the fruit industry is the future of the canning industries of western Ontario. They buy the raw material from the gardeners in their vicinity, give employment to many hands, and get the perishable product of the gardener into the foreign market many months after it is picked. But for this, the gardener would be compelled to produce less or allow his product to spoil in the fields. Some of the gardeners in the southern section of the county of Halton sold as high as $10,000 worth of fruit to these canning industries in one year. The fruit business is their principal industry and to destroy the market for their produce would be a very decisive blow to something over three thousand people who are producing the raw material for these industries.

There are forty-two canning plants in Canada with an approximate output of $16,000,000 per annum, employing in the busy season, three thousand people and buying raw material from approximately five thousand farmers. Fully one-half of these fruit-canning plants are products of the war, when the British manufacturer was compelled by war conditions to withdraw his product from our market. The increase in six years in the canning industry in Canada is a marked indication of the benefit a proper system of protection is to the building up of industry in this country.

In the county of Halton the agricultural interests have something like $22,000,000 invested in farms; farm buildings and implements. In 1919, the total product of the farms, that is of grain, cattle and dairy products, amounted to $7,984,431. This does not include fruit, vegetables and a large variety of other products which the farmers sell, which would bring the total up to approximately $10,000,000. Our manufacturing establishments in that county number 119, the capital invested is $7,711,441, the number of employees is 1,657; the salaries paid, $1,448,814; the value of the raw material used, $4,810,281 and the value of the finished products, $8,781,804.

If you take away protection from this country, a deadly blow will be dealt to these industries. I sent out questionnaires to most of them, and in not a single instance did I receive a reply that any of them wanted the protective duties reduced. They all said that they were satisfied with the protective tariff as it was to-day.

With regard to protection, where do hon. members opposite stand? We have heard a great deal about the policy of the leader of the Opposition (Mr. Mackenzie King) and it is very hard to make out what that policy is. The leader of the Agrarian or Progressive party (Mr. Crerar) is more definite in his statements; he is frankly a free trader. He has said so on many occasions, and I do not believe that he wishes to get away from his statements. The hon. member for Shelburne and Queen's (Mr. Fielding) when, as Finance Minister in 1897, he delivered his first Budget speech, placed on Hansard, this "resolution." He said:

> We denounce the principle of protection as radically unsound and unjust to the masses of the people and we declare our conviction that any tariff which is based on that principle must fail to afford any substantial relief from the burdens under which the country labours.

That was placed on Hansard on April 22, 1897. I believe the hon. member was speaking not only for himself but for his party. That was a direct, definite statement that he was opposed to protection; yet he remained as Minister of Finance of this country for fifteen years, and during all that period he made not one effort to put his policy into effect. I cannot understand what the hon. gentleman really meant. He certainly could not have been sincere, and I often wonder if he is sincere to-day in the amendment which he has introduced into this House. I cannot, nor can anybody else, blame the people of this country if they look with a good deal of suspicion upon the policy presented by the hon. gentleman. The late Sir Wilfrid Laurier, in 1893, after the convention at Ottawa, said:

I will not be satisfied until the last vestige of protection is removed from the soil of Canada.

Yet he remained in power fifteen years and during that time did not bring in any measure of free trade or give any relief from the protective duties which he claimed were hurting the country. In 1911 his Government went out of power, and speaking in Hamilton shortly afterwards on November 26, 1913, he said:

The policy I give you at this moment, the policy I believe every patriot in Canada ought to support, and the policy I believe it to be the duty of the Government to immediately inaugurate, is a policy of absolutely free food—free from customs duties.

That is what he said less than two years after he had gone out of power. Yet he had been in power fifteen years and had not made the slightest effort to put that policy into effect. I do not charge him with insincerity; possibly he had a change of heart after he left Ottawa as Prime Minister of this country.

The hon. leader of the Opposition (Mr. Mackenzie King) takes a peculiar stand on the policy of protection. The fact is nobody knows what his policy is. Judging by his speeches in this House and outside it is absolutely impossible to come to any definite decision as to what he wants. Speaking in Toronto on August 16, 1920, he is reported in the Toronto Globe as saying:

It is not a question of free trade or protection.

You will notice that he made no explanation of what he really did mean. It was not a policy of free trade or protection, at all events. Further on he said:

But such a tariff as may be necessary in this connection will be under Liberal policy a tariff for consumers and producers and not a tariff to further the interests of combines, monopolies or any special or priviliged classes.

The hon. gentlman, now that he is in Opposition, speaks a lot of the special and privileged classes, but he forgot those classes when he was in power at Ottawa. I do not think the leader of the Opposition can blame the people of this country if they do not support him and his policy, and if they fail to understand it, for apparently he cannot explain it himself. He will find that the people of this country are not so easily deceived by a policy which tells them nothing, and I believe that when the time comes for the people to express their opinion at the polls they will express their dissatisfaction with the hon. gentleman in that respect.

[Mr. Anderson.]

The hon. leader of the Progressive party, the hon. member for Marquette (Mr. Crerar), in speaking in different places in Canada, has had something to say on the tariff issue. Speaking at Brandon on November 29, 1919, he is reported by the Canadian Countryman to have said:

The policy of protection is the greatest curse and drawback we could have in Canada.

I think the hon. member must have been reading one of the speeches of Mr. Davies, now Sir Louis Davies, who used a very similar expression in 1893 when speaking on the protective policy. Speaking in Massey Hall, Toronto, on December 17, and 18, at the Convention of the United Farmers of Ontario, the hon. member for Marquette is quoted in the Canadian Farms as saying:

The protection tariff confers privileges upon those who are beneficiaries of it, and for that reason the organized farmers of Canada are opposed to the principle of protection in our tariff.

The organized farmer of Canada in the mind of the hon. leader of the Agrarian party are evidently the United Grain Growers of Western Canada. The leader of the Agrarian party is certainly a free trader. He cannot get away from the statements that he has made on free trade in various parts of the country, and if he is elected to power at the next general election, he will be expectd to carry his policy into effect. If he does not do so, he will be betraying the farmers of Western Canada, who honestly believe in free trade and are supporting him on that issue. If he becomes the Prime Minister of this country I am satisfied that he will introduce a certain measure of free trade.

I have before me the Farmers' platform, as announcd by the Canadian Council of Agriculture at Winnipeg on November 29, 1918. It contains a good many planks but I shall read only those or sections of those that deal with the tariff issue. Speaking of the tariff it says:

Our tariff laws should be amended as follows: (a) by an immediate and substantial all-round reduction of the customs tariff; (b) by reducing the customs duty on goods imported from Great Britain to one-half the rates charged under the general tariff, and that further gradual, uniform reductions be made in the remaining tariff on British imports that will ensure complete free trade between Great Britain and Canada in five years.

That surely is a free trade policy. It cannot be considered as anything else, and the hon. leader of the Agrarian party will certainly try to implement that platform if he has any influence in this Parliament after the next election.

Now I desire to draw attention to some circumstances in connection with the United Grain Growers' Grain Company. The hon. member for Frontenac (Mr. Edwards) made some mention of this company a few days ago. I shall make some further mention of it, and in one instance, at least, I shall disagree with what the hon. member for Frontenac said.

The United Grain Growers Limited was formed in September, 1917, by an amalgamation between the Grain Growers Grain Corporation and the Alberta Farmers Co-operative Elevator Company, with an authorized capital of $5,000,000, with shares of par value of $25, and no member allowed to have more than 100 shares, the average holdings being 10 shares, amounting to $250.

At the end of 1918 they had a paid up capital of $2,159,763, subscribed capital $2,891,050, reserves and undistributed profits, $1,872,746, making a total of capital and reserves at the end of 1918 of $4,032,509.

The officers of the company are T. A. Crerar, M.P., President, Cecil Rice-Jones, Manager and First Vice-President, J. R. Murray, Winnipeg, and E. S. McRory, Calgary, District Managers.

The Company has under its control and ownership several subsidiary companies, namely:

I. The Grain Growers Export Company of New York.

II. The Grain Growers Export Company of Winnipeg.

III. The U.G.G. Sawmills Ltd. & Timber Limits, B.C.

IV. The U.G.G. of New Westminster, B.C. (Feed Business).

V. The U.G.G. Securities Corporation.

VI. Live Stock Dept.

VII. Educational and Legislative organization comprising: (a) The Public Press, Ltd., Winnipeg, Job Printing, (b) The Grain Growers Guide.

The Company has 35,000 shareholders, divided into 350 clubs, having approximately 100 members each, scattered over the Canadian West. These shareholders pay this money into the Company, and receive stock certificates drawing 10 per cent on the par value of the stock.

I have copied these statements from the sworn evidence given by Mr. Cecil Rice-Jones before the High Cost of Living Committee in Room 318 of the House of Commons, on Friday, June 27, 1919. This company engages in a large number of businesses, under the name of the principal company, such as the implement business, the flour business, coal, lumber, apples, and other supplies, including binder twine, barbed wire, wire fencing, salt, hay. I believe they are also engaged in the insurance business.

I disagree with the statement made by the hon. member for Frontenac a few days ago with regard to the Export Company of New York. The hon. member for Frontenac said—I believe he took his figures from the sworn testimony of Mr. Cecil Rice-Jones—that on a capital of $100,000 this company had made a profit of something over 500 per cent. Now in looking over the company's annual report for 1915, I find that there was a $50,000 investment in the export company, and that the company made a profit in 1915 of 531,000, which amounted to 1060 per cent on the total paid up capital. In 1916, they put into the capital of the export company a certain amount of earnings from the year 1915, increasing the capital to $250,000 and in that year they made a profit of 130 per cent. In the next year, 1917, they made a profit of 66 per cent. Now that is pretty good for one of the subsidiary companies, but I would not object to these profits were it not for the statements made by hon. members opposite in this House.

Mr. REID (Mackenzie): Will you be kind enough to tell the House what amount of money was borrowed from the Bank of New York to conduct the business with?

Mr. ANDERSON: I was not in communication with the Bank of New York, and as the annual report does not give that statement, I cannot inform the hon. member. He should have seen that it appeared in the Annual Report of 1915; if it were in the report I should be glad to read it to him. The Grain Growers' Company, the parent company, the owner of all the subsidiary companies, according to the sworn testimony of Mr. Cecil Rice-Jones, vice-president and manager, given before a committee of this House, made profits in the year 1916 of 66.2 per cent on paid-up capital. The hon. member for Frontenac, said it was 62.6 per cent, but the difference is small in any event, and either of us may be wrong. In 1917, according to the same testimony, they made profits amounting to 44.92 per cent on paid-up capital, and in 1918, 19.7 per cent on paid-up capital.

I would not object to these profits, Mr. Speaker, but for the statements made by members of the Agrarian party. In 1920,

the hon. member for Assiniboia (Mr. Gould), in answer to a question asked by a member on this side of the House, said he considered that any company that made over 30 per cent profit on capital was profiteering. The hon. member for Assiniboia, I think, is a shareholder in this company, although he may not be a director, and I should like to know what he thinks of these profits of 66 per cent, 44 per cent, and 130 per cent in his own company. In 1912, the company had a capital of $586,000, and, so far as I can ascertain, they had no reserve. But in 1918, the capital was more than $2,159,000. The reserve in that year was $1,898,282. During this period of six years the company paid to the Farmers' Organization for political propaganda purposes the sum of $82,200, and invested, in the export company, dividends to the extent of $375,000, thus making total earnings, above expenses, and 10 per cent on capital of some $2,355,982, which is more than 100 per cent on their capital of 1918, and 325 per cent on the original capital of 1912.

That is a very good showing, and proves that the company is a very successful concern. But these items represent surplus earnings during these six years which have been taken out of the pockets of the people who do business with them. The people who do business with the company are not all shareholders and do not participate in the 10 per cent dividend, and the company is not what it claims to be, a philanthropic concern doing business for the benefit of the people of the country, because they are taking out of the pockets of the people more than is necessary to run their business. I think, strictly speaking, this surplus belongs to the shareholders of the company but it is held by the directors, and cannot be paid out unless the company is wound up.

Now, Sir, I think it is obvious that this company is a cold business corporation doing business for profit in competition with other corporations and individuals in this country, and is by no means a philanthropic concern as hon. members on the other side claim. Their operations may have the effect of reducing the cost of living to a certain extent, but, if they do, it is in the same way as any other corporation in the open market may be said to reduce the cost of living to the consumer as a result of competition. The organization department consists of the

10 p.m. United Farmers of Alberta, the Saskatchewan Grain Growers' Association, and the Manitoba Grain Growers' Association which, in the words of Mr. Rice-Jones, "is the educational and legislative end of the farmers' end of the association." The Grain Growers' Guide is the mouthpiece of this organization department and is the medium used to educate the people. Grants amounting to $82,500, were made to these different branches during the years preceding and including 1917.

I wish to draw attention to another circumstance. Some years ago the company conceived the idea, which was a very useful one, of organizing what is called the Canadian Council of Agriculture for the purpose of bringing all these various associations and joint stock companies into one organized body for the purpose of increasing the benefits to themselves, of getting better markets for their grain, and of getting legislation through the parliaments of the western provinces of the Dominion, favourable to themselves. I do not quarrel with that. They had a perfect right to do so, and if the farmers by such an organization could improve their conditions, I am in favour of it. This Canadian Council of Agriculture is composed of executive officers and the following associations: The United Farmers of Alberta, the Alberta Co-operative Elevator Company, the Saskatchewan Grain Growers' Association, the Saskatchewan Co-operative Elevator Company, the Manitoba Grain Growers' Association, the Grain Growers' Grain Company, the Grain Growers' Guide, and the United Farmers of Ontario, the United Farmers' Co-operative Company, of Ontario, representing 65,000 farmers distributed over the Canadian West and Ontario. The executive officers of these various companies and associations form the Canadian Council of Agriculture, which drafted the farmers' platform. The Canadian Council of Agriculture is the executive of the United Farmers' or Progressive party. I am not taking exception to that organization being the executive of their party. The leader of the Farmers' party (Mr. Crerar), is president of the Grain Growers' Grain Company. He is in the House as representative of the Independent Farmers' party and as representative of the Grain Growers' Grain Company. On March 25, 1919, the Council of Agriculture discussed the question whether or not they should enter into politics. This matter must have been discussed on various occasions, but I refer to the year 1918, and a report of that discussion will be found in their

annual report for that year. I might explain that apparently the company had sent a delegation to the United States to inquire into the farmer organizations there to see how they were getting along with their political work, and they were making a report I presume to the company. The report says:

> One of the main reasons given by the officers of the organization in several of the states was that in our Canadian organization we have not mixed in politics but have used our strength to influence legislation that was in the interests of the farmer and the people of Canada in general, while they state in most of their organizations in the United States there has been an inclination to organize their associations into political associations taking an active part in politics. This fact has been more responsible for wrecking the farming organizations in the United States than anything else.

Then they go on to state:

> In spite of the efforts of the organization to the south of us in the political field we can safely state that more legislation favourable to farmers and in the interest of the people of Canada has been passed in the three western provinces than all the twelve states we visited.

That was the opinion of the Canadian Council of Agriculture in the fall of 1918; they came to the decision they had better not enter into politics. Yet in spite of that decision what have we witnessed? On March 25, the hon. member for Brome (Mr. McMaster) introduced an amendment to the motion to go into Committee of Supply which proposed the acceptance of the Reciprocity Pact with the United States providing for free trade in foods, in natural products, and in agricultural implements. In speaking to that amendment the hon. member for Marquette (Mr. Crerar)—then the Minister of Agriculture in the Union Government—said this:

> "If the amendment were accepted it would mean the overthrow of the Government and a general election, with all the necessary turmoil that would ensue. I say that it would mean the launching of this country into a general election, and that is not desirable at this stage. It is wholly undesirable for several reasons, which I do not need to enumerate. This amendment is introduced for no other reason than to embarrass the Government in carrying on the business of the country."

The hon member supported the Government at that time and voted against the amendment in order to prevent the Government from being defeated. If we examine the situation then we will see that the country had just come through the war, the demobilization of the army was well under way, reconstruction was well advanced, the country was at peace and everything was favourable. The Government was in a strong position, it had a large majority in the House and apparently it was not the desire of the hon. member to oppose the Government and attempt to defeat it. But what do we find a couple of months later? On June 9, of the same year, the hon. member for Brome introduced his amendment of March 25, as an amendment to the Budget then brought down by the hon. ex-Minister of Finance, the hon. member for Leeds (Sir Thomas White.) But at that time the hon. member for Marquette was no longer a member of the Government and he voted for the amendment of the hon. member for Brome that he had voted against two months previously, in order that the country might be thrown into the turmoil of a general election, which he had stated, only two months before, was wholly undesirable.

The propositions introduced in that Budget went further in reducing the tariff on agricultural implements than the Fielding tariff had gone in fifteen years. It remitted seventeen and a half millions of customs taxation and imposed taxes on the wealthy; yet the hon. member for Marquette opposed all this and tried to force the country into a general election.

Now I wish to direct your attention, Mr. Speaker, to the coincidence of the resignation of the honourable member as Minister of Agriculture, the appearance of the Farmers' political party and the Winnipeg strike.

On May 15 a sympathetic strike involving ninety-five unions was called in the city of Winnipeg, resulting in a complete tie-up of business, a declaration of control over civic affairs and an effort to control provincial and federal employees. The object of the strikers was to control municipal government in the city of Winnipeg when sympathetic strikers in various cities of the Canadian West would take control of the Provincial Governments. The condition became so serious that revolution was threatened and the future of Canada was imperilled.

So serious was the situation on June 2 that a resolution was moved in the House of Commons by the hon. member for North Winnipeg (Mr. Blake) for the purpose of discussing a matter of urgent public importance, namely, the strikes in Winnipeg and other Canadian cities. The hon. member for Kamouraska, in speaking to this resolution, said:

> "This debate is one of the most extreme urgency. We have been criticised for not having already discussed in the House this alarming situation."

The honourable member for Quebec South (Mr. Power) in speaking upon the same resolution, said this:

"We have the spectre of a revolution which first became apparent two weeks ago, appearing like a hydra-headed monster in a dozen Canadian cities."—Hansard, page 3029.

The honourable the Minister of the Interior, at page 3039, is quoted as saying:

"It was essential that the greater issue raised by the assumption of Soviet authority, and it was nothing less on the part of those in control of the strike in the city of Winnipeg, should be once and for all decided and decisively beaten down."

This statement made in this House was a reflection of what was appearing in the daily press and showed that Canada was passing through the greatest crisis in its history. At no time during the period of the war was there a greater menace to the peace of the country.

Yet on June 4, two days after this discussion the honourable the Minister of Agriculture resigned his portfolio, took his place on the cross-benches and announced his decision to withdraw his support from the Government and became the leader of a new political party with the object of defeating the Government and throwing this country into the turmoil of a general election. Had he succeeded, could any one imagine the result? No one could predict what might have happened if the country had been hurled into the turmoil of a general election with an incipient revolution on its hands. The honourable member comes from the West and cannot plead ignorance of the conditions which existed, but as a member of the Government he had a more accurate knowledge of what was transpiring than private members, and had the added advantage of a perfect familiarity with conditions in his home province. This strike took place in the city of Winnipeg where the head office of his company and the offices of the newspapers which he controls were situated, and he must have had inside information on the conditions. I do not charge the honourable member with any sinister motives in timing his resignation to suit these events, neither do I wish to charge him with expecting to ride into power on the wave of revolution which might have resulted, but I do charge him with a decided lack of that foresight and those statesmanlike qualities which are essential to the leader of a political party aspiring to the premiership. The honourable member must have known, had he given the consideration to the national situation which every public man should, that the time was most inopportune for any attempt to gain a decision at the poles by a political party; yet he took the plunge, either as a result of ignorance, or from a spirit of bravado, and was only saved by the superior foresight and wisdom of western members, who, seeing eye to eye with him on the tariff issue, yet had a more statesmanlike grasp of the national situation.

Now, Mr. Speaker, I wish to read the following taken from the Grain Growers' Guide of July 23, 1919:

Trial by Jury Abolished

Your civil rights are in danger because the Government at Ottawa has passed a vicious amendment to the Immigration Act under which citizens not born in Canada may be arrested; tried behind closed doors by a committee appointed by the Government; denied the right of facing their accusers; denied the right of trial by jury; and deported without the formality of a civil trial. To-day labour men are arrested. To-morrow it may be farmers. To-day men not born in Canada are suffering. To-morrow it may be the Canadian-born. Eternal vigilance is the price of liberty. If you were accused of a crime how much would you give for the right to be tried by a jury of your peers? Your right is bound up with that of the labour men who have been arrested in Winnipeg. Do unto others as you would be done unto. Help these men to get a fair trial by sending a donation to

JAMES LAW, Secretary,

Defence Committee, Room 12, Labour Temple, Winnipeg.

This article appeared in the Grain Growers' Guide of July 23, 1919, appealing to the farmers of Western Canada for aid in support of the accused and imprisoned strikers in the city of Winnipeg, on the assumption that the strikers had been denied the right of trial by jury. No other meaning can be taken from the appeal.

It was purposely worded so as to create that impression. Note the words "Denied the right of trial by jury. To-day labor men are arrested, tomorrow it may be farmers." A more vile appeal has never been made in any newspaper in this country. These men had not been denied any right to which they were entitled as Canadian citizens.

This was known to the managers of the Grain Growers' Guide. They were in close touch with all the events of the strike and knew absolutely the true situation, and yet this newspaper, owned and controlled by the political corporation of which the hon. member for Marquette is president, gave it the sanction of what approval it could get by appearing in that

paper, and sent it broadcast to the sixty thousand readers and subscribers of the paper. Why was this done? Surely the money paid for such an advertisement was hardly sufficient to induce any newspaper to print it.

Now, Mr. Speaker, I do not deny the right of a political party having a newspaper to place its ideals before the people and expound the gospel of its particular political faith, but I do deny the right of a powerful commercial corporation, entering the field as a political party, to attempt to seize the reins of Government to further its own commercial interests. I claim that the attempt of the United Grain Growers' Company to corral the farmers of Western Canada, and use them for political purposes is a subversion of the principles of responsible Government. It is indeed the most daring attempt ever made by a political party in this country to destroy democracy and place in its stead corporate, autocratic rule. The irony of the attempt, the irony of the whole political farce is that it is being done in the name of democracy.

I observed, Mr. Speaker, during the war that those who shouted loudest in the name of democracy were themselves autocrats at heart. Suppose, for instance, that the Canadian Pacific Railway, which is one of the most powerful corporations on the North American continent, decided to go into politics, and succeeded in electing their president, and some of their officials to this House and eventually obtained control of the Government, and the president became Prime Minister. Would the hon. leader of the Agrarian party or the hon. member for Red Deer think that that was right? I am quite satisfied that they would think it was absolutely wrong. And yet that is practically what their party is doing to-day. I shall leave these thoughts with the hon. leader of what shall we call it—the Farmers' party? No, Mr. Speaker, it is not a Farmers' party. The sympathy of the great mass of the farmers of Canada is not with the hon. gentleman and his political methods, nor do they follow him on his platform of free trade and class rule.

The hon. member for Marquette made some references a year ago to the depopulation of rural sections of Ontario. Between 1901 and 1911 the rural population of Ontario decreased about 59,000, but the rural population over the whole of Canada increased. During that period the urban population has gradually increased until in 1911 it exceeded the rural population, but that is bound to occur in any country which develops along all lines of manufacturing industry. The following table will be interesting as showing the gradual increase of the urban with a corresponding decrease of the rural percentage of population in the Dominion and in Ontario for the decades from 1871 to 1911:

	Rural Per cent	Urban Per cent
Canada—		
1971	81.2	18.8
1881	78.9	21.1
1891	71.3	28.9
1901	62.4	37.6
1911	54.4	45.6
Ontario—		
1871	80.6	19.4
1881	77.2	22.8
1891	66.8	33.2
1901	59.3	40.7
1911	47.8	52.2

In 1911 it will be seen that the urban population of Ontario was 52.2 per cent, and yet although the farmers claim they have not proper representation in Parliament, they rule in that province. The Hon. Mr. Drury in speaking to the farmers of the county of Halton last fall said to them that they were a minority, and that minority rule is autocratic rule, and that they would have to be satisfied to see their policy carried to fruition by all the people of the Dominion representing all classes.

In connection with this increased ration of urban as against rural population, I wish to call the attention of the hon. member for Marquette to one of its results. Since 1867 in direct proportion as the cities' population has increased the price of commodities sold from the farm has increased with it. I have here a few figures taken from the Globe of 1867, 1901, and 1921:

Place	Commodity	February 1867	February 1901	May 1921
Toronto—	Wheat	$ 1.80	$ .66½	$ 1.98
	Oats	.32	.28½	.49¾
	Barley	.59	.42	.90
	Hay	13.00	14.50	30.00
	Hogs	5.25	8.50	20.00
	Beef	6.00	8.50	18.00
	Lamb	3.50 each	.07½ lb.	.15 lb.
	Butter	.12 lb.	.20 lb.	.61
	Eggs	.16	.22	.33
	Chickens	.40 pair	.60 pr.	.35 lb.
	Apples	None	2.25 bbl.	10.00 bbl.
	Potatoes	"	.35 bag	.85

It will be seen that with the exception of the first three items, every one has increased materially in price since 1867, showing that the increase of urban population has been conducive to the advantage of the farmer by increasing his home market and giving him a better chance to sell his products. I apologize, Mr. Speaker, for taking up so much of the time of the House.

An hon. MEMBER: Hear, hear.

Mr. ANDERSON: I hope the hon. member who says "hear, hear" will take up as much time to answer some of these questions, which I am sure the people of this country will be very glad to have answered.

Mr. J. A. MAHARG (Maple Creek): Mr. Speaker, before entering into a discussion of the Budget I wish first to direct a few remarks to the address delivered this afternoon by the Prime Minister (Mr. Meighen), and also a passing remark to the hon. gentleman (Mr. Anderson) who has just preceded me. The Prime Minister gave us a somewhat lengthy address, chiefly in an attempt to ridicule the two parties, as he described them, on the Opposition side of the House, and to create in the minds of the people the idea that there is an amalgamation between the two groups on this side of the House. He made a further attempt, in which he was very successful to win applause from his supporters by his very complete and splendid system of ridicule and sarcasm. I should have paid no attention whatever to my right hon. friend's reference in this regard had he dealt with the matter fairly. A few months ago the Prime Minister took part in an election in the eastern part of Canada and there he started a campaign of misrepresentation. According to my recollection the campaign of misrepresentation on the part of the hon. gentleman who has just taken his seat was exceeded only by that of the Prime Minister himself in opening his campaign during the by-election to which I have referred. In his attempt here this afternoon the hon. gentleman undertook to ridicule the progressive group for not placing their platform before the House. I am not sure whether the hon. gentleman was present at one of the sessions of this House three years ago, when that platform was placed before the House in its entirety. It is on Hansard, and may be seen by any one who wishes to refer to it. I observe that my hon. friend is indulging in another of his sardonic, satirical and cynical smiles, directed toward this group.

[Mr. Anderson.]

Mr. MEIGHEN: I did not say that my hon. friends had no platform. What I said was that it had never been moved and the judgment of the House obtained upon it.

Mr. MAHARG: I would like to ask the Prime Minister if the Government have ever moved their platform in the House? Has the hon. gentleman ever moved his platform?

Mr. MEIGHEN: Undoubtedly. Our platform is in the Budget and a vote on the Budget is a vote on the platform.

Mr. MAHARG: Well, if my hon. friend can find his platform in the Budget I would like him to draw our attention to it; so far as I am concerned I have not been able to find it. My hon. friend and his supporters have not drawn attention to it and cannot do so, for the simple reason that it is not there. With all his talk, what did my hon. friend say about his platform? He said that the platform of his party was one which would give adequate protection to the industries of Canada—as meaningless a statement as could possibly be made. Who is going to say what is adequate protection to the industries of Canada? Evidently some one is saying it for the hon. gentleman and those who support him on that side of the House.

Now, Sir, I want to go just a little further. The hon. gentleman made some very uncomplimentary remarks with regard to the Progressive party this afternoon. He described them as the tools of the Opposition, as a dilapidated annex, and so on. Well, as to whether or not the Progressive party is in a dilapidated condition, if the hon. Prime Minister will just be good enough to give the country an opportunity to decide that question we shall be perfectly satisfied with the result.

In dealing with the amendment this afternoon the Prime Minister described it as a circuitous sinuosity. It is pretty strong language; but, Sir, if you can find anything more in the nature of circuitous sinuosity than the Prime Minister's address this afternoon—well, you simply could not do so, I would yield the palm to the Prime Minister in that respect now and for all time.

The Prime Minister this afternoon indulged in his usual habit of laying traps, and he succeeded in dropping out bait which was picked up by an hon. member on this side. I am very glad he did, Mr. Speaker, because it gives me an oppor-

tunity to have a little to say in that respect to-night. The hon. gentleman read from a pamphlet; he was not going to tell us just at the moment who the author of the pamphlet was, though, of course he would have done so later had some one not asked the question. He told the House that the author of the pamphlet was Mr. Norman P. Lambert—which, of course, was a sweet morsel under the tongues of hon. gentlemen opposite. But, following his usual custom, he did not go so far as to explain to the House just why that pamphlet was published. Now, Mr. Speaker, I wish to tell the House to-night just why that pamphlet was published. It was published some time ago. Several pamphlets were prepared by the same gentleman, for those in whose employ he was at that particular time? He was a young man, a journalist starting out in this country. I observe that the Prime Minister is finding great difficulty to keep his seat this evening while I am speaking, just as he did when the hon. member for Red Deer was addressing the House. I hope he will be good enough to let me proceed; I did not interrupt him this afternoon. I simply want to explain how these pamphlets came about. Mr. Lambert, was a young man in the employ of a protectionist newspaper in the city of Toronto, and he had instructions to compile pamphlets having for their purpose the discouragement of any "truck or trade with the Yankees," as it was described at that time. He was a very capable young man, a very good prospect in the journalistic world. He succeeded in carrying out the instruction of his employers and these pamphlets were issued. But, Sir, this young man came to maturity later on and he decided that he would no longer sell his services; that he would write things as he saw them, and he has done that. The great difference between the Prime Minister and Mr. Norman P. Lambert is that Mr. Norman P. Lambert refused to sell his services and sacrifice his principles for the manufacturing and big interests of Canada, while the Prime Minister was representing them at that time, is representing them to-day, and, from all appearances, intends to continue to represent them for all time. Mr. Lambert comes from a family who always, so far as I know, gave very strong support to the Conservative party. He, like a great many others in Western Canada—thousands of them, myself included— commenced to see that there were two sides to these questions, and, as they did, got away from the old environment and changed their ideas. At present this young man is working in the interests of the general public; he is not giving himself over to the wishes, the demands, the exactions of those who undertake to carry on a campaign on behalf of the interests to which I have referred.

Mr. HAY: May I ask the hon. gentleman a question?

Mr. MAHARG: Yes, I welcome questions from the hon. gentleman.

Mr. HAY: By whom is M. Lambert now employed?

Mr. MAHARG: Mr. Lambert is employed by an institution which believes in absolute freedom to all who have ideas to express. He is working for that institution at this particular time.

Mr. EDWARDS: What is the name of it?

Mr. MAHARG: I will give the name. I invite the closest scrutiny of all or any of the articles published by Mr. Lambert since he has come into the employ of that institution. No one can point the finger of derision at or criticise any of those articles. The institution he is working for is the Central Organization of the farmers of Western Canada and of all Canada.

Mr. HAY: Is he paid for it now?

Mr. MAHARG: Certainly he is paid for it. We are not "cheap guys"; we pay our way as we go. We are not financed by such institutions as are financing the so-called Murray campaign.

Mr. HAY: Was he paid for it when he wrote that tract?

Mr. MAHARG: No doubt he was. I do not know who paid him, I am sure, but I imagine that he was paid; otherwise how could he exist? I will say this, Mr. Speaker: he was not paid out of the funds of the organized farmers of Canada.

Mr. HAY: He evidently writes anything that he is paid to write.

Some hon. MEMBERS: That is not a question.

Mr. MAHARG: If the hon. gentleman wishes to ask questions, I shall be only too glad to answer them, but I am not going to permit the hon. gentleman or any other hon. gentleman to put words into my mouth. I reserve that right to myself.

I want to go just a little further before I leave the remarks made this afternoon by the Prime Minister. In describing the amendment this afternoon, the Prime Minister, from his words, would indicate that he considered it a protectionist amendment. He cited case after case to show that there was nothing in the amendment to lead one to believe that there would be any reduction in the tariff. Evidently, he is of opinion that it is a protectionist document. A couple of days ago, when the Minister of Marine and Fisheries (Mr. Ballantyne) was speaking in this House, he viewed the amendment with alarm; he claimed that it would put our industries out of business. It would be very wise for the Prime Minister and his colleagues to get together before they start contradicting one another on the floor of the House.

The Prime Minister also gave us another illustration this afternoon in connection with cream separators. He dealt with this particular matter when he was on his tour of Western Canada, and I remember very well, in listening to him at one of the meetings, when he took up the question of cream separators, that he took his favourite pose, he turned to the chairman and he said, "Cream separators, Mr. chairman," as though the name "cream separators," or the manufacture of them, was a joke. Speaking in this House on the Address in reply to the speech from His Excellency, the Minister of Militia and Defence (Mr. Guthrie) undertook to talk about cream separators. He was holding forth on a tirade against the United Grain Growers for purchasing their machinery requirements largely in the United States. Amongst other things he illustrated the cream separator industry. He was holding the United Grain Growers up as buying from the United States articles which they could secure in this country. The Prime Minister, in his western tour, told the people of that section of Canada that practically no cream separators were manufactured in this country. As he said, even the United Grain Growers had to go to the United States to secure cream separators. The Prime Minister wanted to leave the impression in the West that, because cream separators were on the free list, no cream separators were manufactured in Canada. The Minister of Militia and Defence undertook to prove to the House that there was an abundance of them manufactured in Canada, and he scored the Farmers' organization for not purchasing Canadian made goods when it was possible for them to do so. That is another illustration why they should get together. We want to look into this matter a little further in order to see what there really was in the statement of the Prime Minister in the West, when the most that he would admit was that there were a few assembling plants in Canada. In 1910, we had four establishments manufacturing cream separators, and the value of their output in that year was $639,656. In 1919, nine years later, we had seven cream separator plants working in Canada, and the value of their output had increased from $639,656 to $2,030,093. That does not look as though the cream separator business had been hurt very much in Canada because cream separators were on the free list. This is another case in which it would be wise for the Prime Minister to inform himself.

Mr. EDWARDS: Does that include any assembling of imported parts?

Mr. MAHARG: This is the total value of the output of the cream separator manufacturing plants.

Mr. EDWARDS: I think my hon. friend misunderstands me. I am asking for information. Does that output include anything for the assembling of imported parts, parts imported into the country and assembled here?

Mr. MAHARG: These figures are taken from statistics compiled by the Government, and I assume that they are correct. No separation is made between assembling and manufacturing. If assembling was done, it is included, I presume. The point is that, instead of four industries, we have seven, and instead of an output of $639,656, we have $2,030,093. That is the important feature of the situation.

Mr. EDWARDS: Most of that is imported.

Mr. MAHARG: I would take it for granted that the hon. gentleman would be able to distinguish between $600,000 odd and $2,000,000 odd, and that he would draw his conclusions as to which was the most important.

The Prime Minister undertook to give us quite a little discourse this afternoon on tin plates manufactured in the United States. He showed that there had been a tremendous increase, which is no doubt perfectly true. But he might have gone a

little further and given us another illustration or two to show the great benefit that had come to the people of the United States through protection. They have now in the State of California, a plant for manufacturing borax. For a number of years the United States purchased all their borax. They had in that country no plants manufacturing this product. An agitation was commenced because of a borax discovery in the State of California. Prior to the time that this institution was established, the United States had purchased their borax for $50 a ton. This industry was started, and from that time on the United States paid $150 a ton for this article. If you can show to the people that protection has helped them in this case, then I fail to understand protection, if the people of the United States are benefited by having to pay $150 a ton for their borax when prior to the time that the protection was given to this industry they could purchase it for the sum of $50 a ton. I fail to see it. This is another illustration where only one-half of a story is told.

The Prime Minister referred to protection in Great Britain to-day. He told us that it would be only a matter of time until Great Britain would be a protectionist country; at least he used words to that effect. In the Citizen of to-day and also in the Montreal Gazette of May 13, an article is published, and I want to read a few extracts from it. It is in connection with the banking interests of Great Britain and their attitude towards protection in England. It says:

A manifesto signed by a score of leading bankers, was published here to-day, protesting against any legislative or administrative measures to check the free exchange of goods with foreign countries and declaring the policy of trying to exclude foreign commodities to be a mistaken one.

The following is a quotation:

We cannot limit imports without limiting our export trade, and striking a grave blow at world-wide commerce on which this Kingdom principally depends.

Further on it says:

We desire to enter a respectful protest against every restrictive regulation of trade which tends to diminish the resources of the State.

The signers include Lord Avebury, partner in Coutts and Co.; Lord Chalmers, former joint secretary of the Treasury; Frederick C. Goodenough, chairman of Barclay's Bank, Limited; Sir Everard A. Hambro, a director of the Bank of England; Lord Inchcape, senior partner in Mackinnon, Mackenzie and Co.; the Right Hon. Frederick Huth Jackson, director of the Bank of England; Sir Robert Kindersley, director of the Bank of England; Walter Leaf, chairman of the London County Westminster and Parr's Bank, and Reginald McKenna, director of the London City and Midland Bank, and former Chancellor of the Exchequer.

It goes on to say this action threatens to cripple the country's resources and impair its credit abroad. A further quotation from this manifesto is as follows:

We have to build up the markets we need by encouraging continental nations to export to us, for it is only by exports that they can re-establish their credits and provide funds for the payment of their debts.

I shall not burden the record with further quotations. I give these just to show that the banking interests of Great Britain are alarmed at the possibility of the principle of protection being introduced into that country again.

When speaking of the twine industry I omitted to give the figures. As I said, when the Prime Minister was on his western tour he told the people in one of our cities how the twine industry had gone to pieces since it was placed on the free list. He stated that in 1890 practically 80 per cent of the twine used in Canada was of Canadian manufacture, while at the present time the amount of twine supplied by Canadian manufacturers was only 25 per cent of the total consumption in Canada. The Prime Minister undertook to give us a little history of the twine industry this afternoon, but he forgot to give us the figures as well. In 1890 the total value of the output was 1,723,534: in 1900, $2,212,263. There is a gradual increase in 1910, 1915, 1917, and up until 1919, the latest year for which reports are available from the Statistical Branch here in Ottawa, and the total value in that year is $9,810,449. That does not look as though there had been much of a decrease. The increase in output would figure out at a very high percentage.

I wish now to direct attention for a few moments to the Budget. My first observation would be that I am of the opinion that the Finance Minister has been possibly a little too courageous and has gone just a little too far. I think you will find that this Budget will be more than protective; I am of opinion that it will be prohibitive in some respects, and possibly in many respects. However, I shall not quarrel with the Minister of Finance if it does prohibit some of the things that are heavily taxed in the Budget, for there are some things that we can get along very nicely without, particularly beverages, and drugs containing a very high percentage of alcohol.

If he can shut these out, I will have no fault to find with him. But with respect to some other items, I am afraid that the Budget will act detrimentally, because of its prohibitive nature. I shall not dwell on that particular point at this time, but I would like to give to the House my opinion as to the point we have reached in this matter of protection.

My own candid opinion is that protection has reached the point where it does not protect; where it does not give employment, and also the point where it does not prevent the goods that are taxed from entering this country. We have only to dwell for a very short time on our trade relations with one of the countries with whom we do the largest business, and that is the United States. We are one of her best customers, and she is one of ours. To prove that protection does not protect, there is at the present time on certain commodities, in fact on everything that we import from the United States, a protection. I imagine that some hon. members will say that that is not so, that a great many articles are on the free list. That is quite true, but we have an adverse rate of exchange which operates exactly the same as does a protective tariff. This adverse exchange operates on every article we import from the United States, and it has run as high as 19 per cent, but on the average has been between 14 and 15 per cent, I would say. If we add that amount to the protective tariff, which we have every right to do, as it operates exactly the same, we shall find that we have all the way from 25 to 50 per cent of a protection against goods coming in from the United States. Now our exports from the United States last year, I think, must prove conclusively that protection does not protect. What the reason is, it is difficult to know; it has been ascribed to several different causes. However, the fact remains that the tariff does not protect although we have as high as 50 per cent of a duty to contend with in some cases, and that is operating continuously. The other evening while the Minister of Marine and Fisheries was speaking, he addressed a question to this corner of the House to the hon. member for Marquette (Mr. Crerar), I believe. He asked where would we get the necessary revenue if we reduced the tariff. I think I would be quite in order if I were to answer the hon. gentleman if he were in the House by asking another question: Where would the revenue come from if we followed the advice of the Government and its supporters and bought our goods in Canada, and not from the United States? They tell us we can secure practically everything in our own country. Well, if we did not import from the United States, where would the revenue come from? We imported from the United States goods last year to the amount of $856,000,000. Hon. gentlemen opposite, in support of their argument that they have reduced the tariff since they came into power, stated that the average tariff on dutiable and free goods was now 16.5 per cent. I take it that that is correct. Now if you collect 16.5 per cent on all the imports from the United States, you will find you have approximately $140,000,000. Our total revenue received from the tariff last year was $165,000,000. Now where would your revenue come from if you did not import those goods? You would have reduced younr revenue from tariff to about $25,000,000. I think the $856,000,000 of goods imported from the United States under these adverse conditions—the duty and the exchange rate—proves conclusively that we have reached a point where protection does not protect. There must be something wrong somewhere. Another argument they have given us for not doing business with the United States is that it will improve the adverse rate of exchange. They told us that the one and only cause for the adverse exchange rate with the United States was our adverse balance of trade with them. That argument has been heralded all over the country and was made use of throughout Western Canada when the Prime Minister was touring that part of the Dominion. Now, I desire to investigate this adverse balance of trade for a few years back so that we may find out just what the facts are. Let me state the facts in the following table. In order to save time, I shall give the figures in round numbers:

Exports 1913-14	$176,000,000
Imports 1913-14	395,000,000
Adverse balance of trade	219,000,000 or 55 per cent
Exports 1914-15	186,000,000
Imports 1914-15	296,000,000
Adverse balance of trade	110,000,000 or 37 per cent
Exports 1915-16	216,000,000
Imports 1915-16	370 000,000
Adverse balance of trade	154,000,000 or 42 per cent
Exports 1916-17	290,000,000
Imports 1916-17	664,000,000
Adverse balance of trade	374,000,000 or 129 per cent

Exports 1917-18..	440,000,000
Imports 1917-18..	791,000,000
Adverse balance of trade.. ..	351,000,000
	or 45 per cent
Exports 1918-19..	447,000,000
Imports 1918-19..	746,000,000
Adverse balance of trade.. ..	269,000,000
	or 36 per cent
Exports 1919-20..	501,000,000
Imports 1919-20..	801,000,000
Adverse balance of trade.. ..	300,000,000
	or 38 per cent
Exports 1920-21..	574,000,000
Imports 1920-21..	856,000,000
Adverse balance of trade.. ..	282,000,000
	or 34 per cent

It will be seen very clearly from this statement that the year in which we had an adverse exchange rate is the year that we had the very lowest percentage of imports ever exports, and that must surely prove to the House that the argument that has been advanced by the Government and their supporters is absolutely fallacious. As we see here, in one year the percentage of imports over exports was 129 per cent, yet we had no adverse exchange rate against us then. I think the Government will need to look around for some further reason to advance for the adverse exchange which we have against us at the present time.

During last February I had occasion to visit a merchant in Western Canada, and we engaged in conversation as to the cost of textiles. At that particular time they were making inquiry for their supply of textiles for the coming year, and I asked him what the prospects were for his securing his textile requirements in Canada. He showed me his figures and allowed me to make the comparisons for myself, and those figures and his statements showed that he could go into the United States and purchase his textiles there, pay the adverse exchange rate, pay the duty on textiles, which ranges from 14 to 35 per cent, pay exchange and freight to his home town, and then undersell the Dominion textile manufacturers' price by 20 per cent. It is no wonder, Sir, that American goods are coming into our country, if that is the state of affairs that exists. The Minister of Trade and Commerce (Sir George Foster), speaking on the Budget a few days ago, stated that it was impossible for us to escape the burdens of war. With this I quite agree, and I do not think that any one has any thought of attempting to escape those burdens at this time. Certainly we had no thought of escaping the burdens of and responsibilities of war when war was on. With the sentiment expressed by the minister I agree fully. But my complaint is that while the burdens of war were being placed on the shoulders of the people, that was the time we should have taken steps to relieve them as far as possible on the financial side. At that time we advocated to the then Minister of Finance the imposition of direct taxation, but our advice was not accepted. However, since the close of the war, and now that unemployment is rife throughout the country, as it has been for the last two years, the Government, in view of the unfavourable conditions that exist, finds itself compelled to impose such taxation. It has been stated publicly that we have some 200,000 unemployed men in the country, to say nothing of the

11 p.m.

unemployed female labour which we have. To my mind, it would have been much better had the Minister of Finance at that time, when everybody was busy in the country and had plenty of money, introduced direct taxation in some form or other. But it was only when the grim necessities of war confronted him that he was compelled to do so. Now, this is one of the planks in our platform which the hon. member undertook to quote from to-night. He did not go very far with it, however. He just used sufficient of it to serve his purpose, and I shall touch upon that a little later. But in that platform, if the hon. member had read it to the House, he would have found that the very methods which the Minister of Finance very reluctantly put into operation were advocated. Several of the things advocated in that platform the Government have had to do because of the grim necessities of war; and I contend that the grim necessity of economy will force whatever Government may be in power in the near future to go on accepting the provisions of that platform, if we are to escape bankruptcy. I should have liked the hon. gentleman to have gone a little further into the platform while h ewas reading it. He gave two quotations to prove to the House that it was a free trade platform. What were they? They were these: He said the platform proposed an all round and substantial reduction in the tariff, and that it advocated free trade. That was one of his arguments. His other argument was that the platform stated we should gradually increase the British preference until within five years we would have complete free trade with England. Now, Sir, these are the two arguments he advanced in support of his statement that the platform in question was a free trade platform. I leave it to the House and the

country to judge just to what extent the hon. gentleman succeeded in proving his contention. I would have liked him to have gone on and told what that platform proposes to do for the consumers of this country, but the hon. gentleman took very good care not to refer to that point. He did not state to the consumers of this country that that platform proposed to give them a free market in which to buy all their foodstuffs, and he was not particularly anxious that they should know that. That might suit the consumers possibly, but that is not what the Government wants. My hon. friend might have gone a little further and found additional arguments along that line. However I will not dwell any longer on the subject at this particular time.

Now let me return to some of the statements of the Minister of Trade and Commerce (Sir George Foster). He gave us certain reasons for not reducing the tariff at this particular time, but the same reasons have been brought forward for a number of years past. I remember very well that the first reason advanced for delay in this matter was that demobilization was in progress—that we must not interfere with matters of trade while demobilization was going on. Time passed and the "existing unrest" was cited as a reason for making the excuse a little stronger. Then later on the Minister of Agriculture, who comes from the western coast, stated that we must have protection to preserve us from the competition of cheap Oriental labour. Now, Sir, during the by-election which followed the acceptance of a portfolio by the Minister of Agriculture promises were made with respect to providing a dry dock at the Pacific coast which, it seems to me, created a most ridiculous situation. On the one hand we have a tariff which is designed to prevent imports from coming into that port which is to have the dry dock, and on the other hand the dry dock itself, is intended for the repair of the ships that presumably—if the policy of the Government and its supporters was carried out—would come in empty. It seems very inconsistent to spend millions of dollars in building a dry dock to accommodate shipping, and on the other hand enforcing a tariff which will prevent those ships from finding any business.

Mr. CLARK (Red Deer): Some Government.

Mr. MAHARG: This year another excuse has been advanced for the failure to enter upon tariff revision and that is the Fordney Bill—that was one of the excuses presented by the Minister of Trade and Commerce the other day. He declared that the Fordney Bill is now before Congress, and we should not interfere with the tariff in this country until we know what is to be done with that measure. The statement is made that we must not trade with our neighbours to the south. If we are not to trade with the Americans why worry about the Fordney Bill? If we are not going to import goods from the United States, we certainly cannot expect to send exports to that country, and therefore we need entertain no apprehensions on the score of the Fordney Bill. But, Sir, the Fordney Bill is only an emergency measure; it is not intended to be permanent legislation. It is admittedly legislation intended to meet a condition which prevails in the United States at the present time.

The Minister of Trade and Commerce referred to our interchange of wheat with the United States, and I believe he made the remark in Montreal that the United States consumer would have to pay the duty and not the Canadian people. That is perfectly true, and it is an admission that I scarcely expected to get from him. However, if I remember correctly, he discussed the matter a little further and referred to our wheat being milled in bond over there to escape the tariff, as though that were something new. Now, Mr. Speaker, up to the time that we had free interchange of wheat and wheat products with the United States our wheat was being continuously shipped to that country and milled in bond there. To put the matter plainly camouflage has been resorted to in connection with this matter; and the agitation raised in the United States at the present time in connection with this privilege of milling wheat in bond is only for the purpose of beclouding the issue. It is only intended as a palliative to the consumers of that country in the effort of trying to make them believe, by roundabout means, that what is proposed will not increase the price of their bread. Personally, I doubt very much whether the consumers of the United States will permit themselves to be led astray by any such argument. The big financiers and the milling interests over there know very well that they have got to have Canadian wheat. It does not matter what the United States tariff against Canadian wheat is, American millers have got to have Canadian wheat to blend with

their own, otherwise they cannot sell their flour on the world's markets. It is absolutely impossible for them to dispose of their flour unless sufficient Canadian hard wheat has been mixed with it so as to give it that quality that will permit of its finding a market. So that as regards wheat we do not need to worry very much. But wheat is only one of the products of Canada. I often wonder where the livestock man is going to land if the Fordney Bill goes into operation, because that legislation will make it very awkward for him to market his stock, especially when we consider the restrictions on the export of cattle to the Old Country. That legislation will likewise be a handicap to other producers as well as to livestock men. The argument has been advanced that if the Fordney Bill becomes effective we will have to enact retaliatory measures. I doubt very much whether any country benefits by resorting to such measures. The retaliatory principle is one that does not get you very far, and I am doubtful myself whether it will prove of very much benefit in the present instance. Sir, I am wondering what the excuse for not revising the tariff will be next year. We hear considerable these days, not about the Fordney Bill altogether, but respecting a gentleman who is, we are told, perfecting a system of manufacturing milk without the cow. Now I imagine that next year instead of the Fordney Bill being assigned as an excuse for maintaining the tariff at its present level, it will possibly be the prospect of "Fordney milk." Doubtless it would be a very serious thing if we were obliged to discard the meek and gentle old cow, and I have no doubt this Government will give that fact serious consideration in an attempt to use it as an excuse for retaining the present tariff.

The hon. member who preceded me (Mr. Anderson) dealt with the value of the home market to the people of Canada. We have been told in the West that Eastern Canada furnishes a home market for our products. I would like to inquire for what class of products Eastern Canada provides a home market? Let us take the province of Ontario for the purpose of illustration. The two chief products from Western Canada that Ontario uses are wheat and oats. In Ontario they use the wheat for blending purposes to bring up the standard of their flour, and they use the oats for milling operations to prepare the different oatmeals. But, Sir, Ontario is a producer of wheat as well as Western Canada, and she produces annually anywhere from twelve to fifteen million bushels. Now if you take the per capita consumption of the province of Ontario I venture to say that it will run between four and five bushels. That is considered a high consumption, and I doubt, in view of the fact that very many substitutes are produced in that province, whether the consumtpion will run to four bushels per head. However, we will put it at four bushels per head, and we will take the population of the province as being between two and a half and three million—I believe that 2,600,000 are about the right figures. But we will take it at two and a half millions of a population. At four bushels per capita that would mean 10,000,000 bushels. Now, you will see that they have a surplus of anywhere from 2,000,000 to 5,000,000 bushels, which will provide liberally for seed and other contingencies. So that in reality while in Ontario purchases a certain quantity of our hard wheat; she also has a surplus of her own wheat which takes the place of her purchases from Western Canada, whatever they may be. Therefore, in that case the market provided in Eastern Canada in so far as our western wheat is concerned is very very small indeed. There is a considerable amount of oats purchased from Western Canada for milling purposes, but on the other hand we are very often importers of oats from Ontario. Hundreds of thousands of bushels were imported a few years ago, and almost every year when there is a short crop of oats in the West we import from Ontario. So far as the home market for the produce of Western Canada is concerned, to all intents and purposes it does not exist.

But what about the market provided in Western Canada for the products of Eastern Canada? That is a very different matter. Western Canada does not produce the variety of articles produced in Eastern Canada, and practically all our requirements are purchased either in Eastern Canada and the country to the south or from overseas. But the fact remains that instead of the East furnishing a market for Western Canada the opposite is the case. As an illustration, take fresh fruits. Millions of dollars worth are imported into Western Canada, in addition to canned fruits and vegetables. Our fresh tomatoes are largely purchased from Eastern Canada. There is no manufacture of cheese worth speaking of anywhere in Western Canada, so that we have to buy practically all our cheese. We also get from the East all our leather goods,

machinery, tools of all kinds, binder twine, rope, furniture, barbed wire, clothing, boots and shoes, and a multitude of other articles, so that instead of Eastern Canada furnishing a market for the West, we are continuously purchasing from Eastern Canada. I have no fault whatever to find with this condition of affairs other than the misrepresentation that we are subjected to, and I think in all fairness both sides of the case should be presented.

There are one or two matters that affect Western Canada particularly, and, incidentally, all Canada that I should like to refer to, and they have got to be regulated in some way or other, otherwise not only the prosperity of Western Canada but of the whole Dominion will be seriously interfered with. First, I refer to freight rates. Last fall a new schedule of freight rates was put into operation. Values of products in Western Canada were fairly good at that time and the increased rates did not seem so serious, but things have changed, and apart from wheat, which has retained a fair measure of the value that it had, other products of the West have reached a point where it is practically impossible to ship them any distance and receive any return. Now, this is a condition of affairs that cannot be permitted to continue if we are going to prosper not only in the West but in the East, as I do not think there is any doubt but that the prosperity of Eastern Canada depends on the prosperity of the West, and as the prosperity of the West increases so will the prosperity of the East keep pace with it.

Take oats as an illustration. At the present time it does not matter how close a man lives to the market, he may be in the province of Manitoba, but at the present prices paid for oats at the local point, after the shipper has paid his threshing bill and his freight to the head of the lakes in nine cases out of ten he has a debit balance. But when you get farther west what is the condition? We have cases by the score of actual loss, and I want to give the House one particular case of a carload of oats shipped from Northern Alberta. When the freight and commission charges had been paid—in fact, the commission charges had not been paid—a debit account was received by the shipper of those oats for $38 and some cents. In other words, he had $38 less than nothing for his carload of oats shipped from Northern Alberta. This, of course, is an extreme case, but nevertheless it is an indication of what we can expect in so far as the effect of freight rates upon Western Canada is concerned. Take livestock, at the present time the ranchers are laying their plans on the basis of $4 beef next fall. Now, Sir, if any one thinks that under the present high cost of production in the West the ranchers can hope to break even on a price of $4 per hundred for their beef, well, Sir, he will have to figure it out again, for it will be an absolute impossibility. Then, take hides, I know of a case that happened a few months ago, in fact, I was in the office of a large hide concern in our own city to whom had been shipped a first-class hide from a point only about forty miles from the city of Moosejaw, and the actual net return that was being sent to the shipper was forty cents.

An hon. MEMBER: He was lucky.

Mr. MAHARG: Yes. He was a lot luckier than some others who did not get any return. I merely mention these few instances to show what we can expect unless something is done to reduce freight rates on our railroads.

But those are not the only rates that require attention, and I have a suggestion or two to make to the Government tonight which I hope they will act on. For a number of years the hon. member for Lambton (Mr. Armstrong) has brought before this House a Bill to place the shipping on our inland waters under the control of our Railway Commission. Year after year he has introduced that Bill with a persistency that only he is capable of, but it has been repeatedly defeated. However, he is not daunted yet, and he is going to keep at it, and eventually, unless some other measure is adopted, his Bill will be accepted by this House. At the present time an inquiry is being held in the Senate through a committee appointed to inquire into the question of why so large a quantity of our western grain goes through American ports.

I will give you one reason why. They do not need to hold an inquiry there; they do not need to summon anyone to appear before them. All they need to do is to get the figures as to the lake freights charged, and they will have the answer. We have been endeavouring to bring the lake shipping under the control of the Railway Board, but we have been unable to do that. There is only one way in which the Government can accomplish this purpose without doing that, and it is by abolish-

ing our coastal laws so far as inland shipping is concerned. I was talking to a prominent gentleman the other day when I was in Montreal with other hon. members, and the question came up why a greater proportion of our products were not shipped through the port of Montreal. I do not wish to mention names; the gentleman to whom I put the question has probably more to do than any other man with the regulating of the port of Montreal. I inquired whether it was a matter of facilities or of rates on the lakes, and the answer was that it was almost entirely a question of rates. The freight rate from the head of the lakes to the Georgian bay ports is almost invariably as high as the rate from the head of the lakes to Buffalo, almost double the distance. If you examine the map of Canada you will see what a circuitous route the grain has to take after it leaves the Georgian bay ports before it gets to Buffalo.

Now, there is the reason. The grain from Georgian bay ports has either to come around the lakes to Montreal in small boats or has to pay the overland freight haul. The grain is landed in Buffalo as cheaply as it is landed in the Georgian bay ports. I say that the only way to remedy that condition—that is, if the shipping on the lakes is not to be brought under the Railway Commission——is to abolish our coastal laws. Under our coastal shipping regulations a vessel loading at a Canadian port must unload at an American port, and vice versa, consequently our vessels going to the head of the lakes to take their load on at Canadian ports cannot unload at Buffalo; they must go to Georgian bay ports or other Canadian ports. The result is that the rates to the Georgian bay ports are pratically the same as the rates to Buffalo, practically twice the distance. American boats carry tremendous quantities of our grain, and whether they wish it or not they have to unload at American ports and the result is that they go on to Buffalo. There argument is this—and there is something in it—that they get a full return cargo from Buffalo which they cannot get from the Georgian bay ports. But why should we permit that condition to continue when it is so detrimental to our own interests? We have one of the finest ports for grain handling in the world. I think I have visited most of the shipping points in the United States, and I can say that they have nothing to equal Montreal. Why, New York is antediluvian compared with Montreal in the handling of grain. At the port of Montreal the grain can be conveyed for many miles. I do not know how many miles of belting they have now, but several years ago they had over four miles of overhead belting which enabled them to run the grain almost over the whole harbour and load it in boats almost anywhere at that port. They have not those facilities at United States ports on the Atlantic coast to the same extent. The only reason why so much of our grain can be handled at United States ports is because they have so many of them—Portland, Newport News, New York, Philadelphia, and so on. If all our grain had to go through New York, they simply could not handle it. Why, I ask, should we permit this condition to exist, when it is practically threatening the prosperity of our country? Something must be done at once to prevent these people from jumping their rates in the way they have done. It is not only the farmers of the West who are affected by this condition; the consumers of Eastern Canada are equally affected, because they have to pay their share as there is the long haul both ways. Why, then, should the consumers of this country have to pay double price for having their products carried across the lake? What excuse can there be for allowing this condition to prevail? In 1920 the rates on wheat from the head of the Lakes were practically double what they were in 1919. The sooner the Government takes this matter into consideration the better it will be for everybody concerned. It is true that the crop is only now being sown, but in a matter of three or four months it will be harvested and on its way again. Consequently if any action is to be taken in this matter it should be taken very soon, otherwise the purchasing power of Western Canada will be very limited—and we know what that means. We had a very severe lesson in that regard in 1913 and 1914, just as we have had this year. In 1913-14 the crops in Western Canada were very light, and everything became stagnant. This is not an after-war condition; we had it prior to the war. I make this statement that had we had the freight rates to pay in 1914 that we have to pay now, the condition would have been much more serious than it was; the purchasing power of the West would have been almost entirely eliminated. Unless we can remedy this condition in some way we cannot expect the purchasing power of Western Canada to be very great; indeed, it will be so re-

stricted that the effect will be very serious upon the industries of the East. Up to the time of the drop in wheat in Western Canada business was flourishing all over the country, but it was only a matter of three or four weeks after that drop in price that those industries were curtailing their output, employees were being laid off, and eventually some of them were closed down. The reason for that can very clearly be traced to the loss of purchasing power in Western Canada.

Statements have appeared in the press recently with regard to the closing down of implement manufacturing concerns. Well, there is a reason for that. The farmers of the West have been purchasing only what it was absolutely necessary for them to purchase—and by the way, I have a little criticism to offer against the manufacturers of farm implements in Eastern Canada; perhaps it applies to others as well. Why should they refuse to accept their share of the loss occasioned by the reduced value of goods? Everybody else has had to do it; the farmers of Western Canada have had to do it. In fact, the western farmers are to-day accepting a loss of about 500 per cent in many cases by reason of the drop in prices. But what do we find? We find that, on the other hand, if we go to buy implements in the West, they have been increased in price all the way from 10 to 20 per cent. Why should the manufacturers not be prepared to accept a portion of this loss? They will accept it eventually; they are accepting it now, because their warehouses throughout the country are piled to the roof with implements, and there is an overhead charge going on which they will have to stand whether they wish to do so or not. It would have been good business for them to accept their share of the loss instead of increasing their price. I am not speaking from hearsay in regard to increases in price, because I had a personal illustration of this in the month of February before I came here for the session. I required an implement, and I called up a large distributing firm in the city of Moose Jaw which distribute everything in the line of farm implements. I asked the manager for a price on this special article, and he quoted a price to me, but he said: "Wait a minute; I do not know whether this has advanced in price or not; if it has not advanced, it is the only article that we sell that has not advanced in price from 10 to 20 per cent." He looked up his invoices, and he said that this particular article had not advanced, but that it was the only implement which they sold that had not advanced from 10 to 20 per cent. Their argument—and there is something to it, I suppose—is that the trade purchase their requirements of raw materials one year ahead. But they say that they have always been doing that, so that evidently they must have secured the advantage of the increase in the price of raw materials when they were advancing, because we know very well that implements advanced very rapidly until at the present time an article that we used to buy for $80 to $85 is costing us $220, $225, or $230 now. We used to be able to buy binders for $145 to $150; last year we paid $289 cash for them, and this year we shall have to pay $339 for them. How long can we continue in this business if this is the way in which things are going to increase in price? I bring these matters to the attention of the Government and of the people of Eastern Canada to show that any measures that tend to increase cost of production in Western Canada must react on Eastern Canada as well. It is impossible to escape that result, and unless the fullest co-operation is given in order to reduce the cost of production, I do not know just how it is going to be done and it certainly will not be done by increasing the cost of importations.

If I might be permitted to make a further reference to the Budget, the statement has been made that it is not a people's Budget; that it is a Budget for the manufacturing industry. I should like to draw the attention of the House to one item in the Budget, and to me it can be nothing more nor less than an attempt to compel everybody to use the middleman, as it were. Where goods are imported by wholesalers or others, the total tax that they will have to pay—the Minister of Finance (Sir Henry Drayton) will correct me if I am not right—is 3 per cent; but if a retailer or an individual or a group of individuals undertake to reduce the cost of living by purchasing his or their own requirements and importing them, the tax is 4 per cent. I do not know just what the argument is.

Sir HENRY DRAYTON: If the hon. gentleman would like the exact rate, the tax to the manufacturer and the jobber on the local sale is 1½ per cent; the tax to the jobber on the imported article is 2½ per cent; the tax on the local sale from the manufacturer to the retailer is 3 per cent, and the tax on the sale from the

importer to the retailer is 3 per cent. It does not make any difference in the cost whether it is imported by the retailer direct or whether it is imported through the jobber.

Mr. MAHARG: Why has the retailer, if he imports direct, to pay 4 per cent?

Sir HENRY DRAYTON: The hon. gentleman does not get the point. The taxation on the article in Canada is 3 per cent. It makes no difference whether it goes direct or whether it goes through the middleman. The taxation on the article imported, by reason of the fact that the raw material entering into the article has not paid a sales tax, is 4 per cent. In any case, it does not make any difference whether the article is imported directly or indirectly, the tax is the same.

Mr. MAHARG: I fail to see the point in the minister's argument, for it states very clearly in Hansard that when a retailer or an individual imports, he has to pay 4 per cent.

Sir HENRY DRAYTON: That is right.

Mr. MAHARG: But if he purchases from a wholesaler, he pays only 3 per cent. If I can read the figures, that is the way in which the thing works out.

Sir HENRY DRAYTON: If the article goes to the wholesaler, the tax is 2½ per cent. If the wholesaler turns around and sells, as he must, to the retailer, the tax to the retailer is 1½ per cent. Two and a half per cent and one and a half per cent, the hon. gentleman sees, make four.

Mr. MAHARG: What is the object of imposing a tax of 1½ per cent on the jobber when an article is sold to him? You are compelling the wholesaler to buy from the jobber and the retailer to buy from the wholesaler.

Sir HENRY DRAYTON: No. The terms "wholesaler" and "jobber" are used interchangeably. There are only the two sets of taxes in this case—to the manufacturer and to the wholesaler or jobber as the case may be.

Mr. MAHARG: I fail to see the point. In the one instance the retailer pays only 3 per cent, and in the other he pays, according to the minister's admission, 4 per cent. The minister shakes his head, but 3 and 4 are two distinct and different figures and that is what is in the resolution.

One other question, that I wish to bring to the attention of the House to-night and which affects Western Canada very seriously, is the railway situation in certain sections of the country. We have had the question of immigration before the House on two or three different occasions. We spent a good deal of time, and we are spending a great deal of money in connection with it; but as regards Western Canada, the sum total of your efforts will amount to nil unless something is done. The other day the hon. member for Mackenzie (Mr. Reid) gave some figures to show that, instead of increasing our population through immigration, we were losing it as far as the United States were concerned. That condition is more acute to-day than it was at the time those figures were compiled. We have in the West large areas where people have to draw their products anywhere from 40 to 60 miles over a country that is almost impassable. Rivers and streams have to be forded, and sand hills and other obstacles have to be surmounted in order that they may deliver their products to the market. We have in the Estimates in the neighbourhood of $800,000 for canals. When that Estimate was before the House, I said a few words in connection with it, and I intimated that a portion of that could very profitably be used, instead of in canals that would give us no immediate benefit whatever, and which could give us benefit only by the expenditure of hundreds of millions more, in the extension of branch lines in Western Canada. One of the reasons which the minister gave us was that we had to spend this money in order to save a monetary loss; that the works would crumble and decay if this money was not expended. That is a serious matter; but we have a greater and much more important loss going on continuously in Western Canada as a result of lack of railway communication into those several districts and that is this. We are losing our settlers continually from day to day. I have scores of letters to that effect from southwestern Saskatchewan and the conditions throughout the southern portion of Saskatchewan are similar. People are leaving the country by the score; there is not a district where people are not moving out, and the reason is because they can get no satisfaction whatever as to any prospect of relief in the shape of railroad facilities. But that is not the worst feature. There is a loss of life continually; there is a lack of edu-

cation continually. You cannot expect school teachers to isolate themselves miles away from a railroad. Many of them are doing it, but there are many districts where school teachers cannot be secured. The parents of the children will stand these conditions for a time, but eventually they will move out, for the welfare of their children is much more to them than any monetary consideration. We have also in that country a lack of medical attendance. Doctors are miles away, and in some districts days away, from cases where they are wanted. The situation simply has to be dealt with, or it will become more and more serious every day. Why should we be spending all this money in Eastern Canada on canals, docks, harbours, and such like, when we are not spending a dollar to give relief to these people? The situation is such that unless some assurance of relief is given to these people you may as well stop your immigration so far as Western Canada is concerned. Further immigration would only increase the difficulty. You cannot secure land near the railways unless you have the money to purchase at a high price; you have to go to portions far distant from a railway. If money was spent in providing relief for these people in Western Canada, instead of spending these immense sums on works in the East which are not necessary at the present time, and which can only be available for use with the expenditure of hundreds of millions more, the results to Canada would be much more beneficial. It would be better to shut off immigration work altogether and use the hundreds of thousands of dollars you are spending on it to provide for the people you have here at the present time. I remember when the Prime Minister was in charge of the soldier settlement Bill, I made the statement that it was much better to hold in the country the returned men who had an interest in the country, than it was to assist those who had no such interest in the country. I said that it was all very well to assist them all, but a distinction should not be drawn between the two.

We are not only losing people from this country, but the infant mortality rate in the West is also very serious. Taking these two factors into consideration—the people who are moving out from day to day, and the high infant mortality rate—I am of the opinion that they will offset your immigration unless something is done to relieve the situation, and the last state will be worse than the first.

[Mr. Maharg.]

The expenditure on the Trent Valley canal was referred to by the hon. member for North Oxford (Mr. Nesbitt) a day or so ago. He stated that this work was absolutely unnecessary at this time and that there was absolutely nothing to be gained by going on with it and spending the sum of $300,000. I could draw a nice picture of a tourist trade growing up along the Trent canal, and also of conditions in the West, that would furnish food for thought, and would be very illuminating, but I shall not take the time now.

With regard to the Welland canal, the Minister of Railways attempted to show to the House the other day that it had been of great benefit to the West in the reduction of freight rates, but he had to go back some thirty years to make his comparison. I would like to know how much wheat was shipped from Western Canada and went through the port of Montreal thirty years ago. I have been in the West over thirty years, and there was a very small amount being shipped out at that time. We did not have the railway system then that we have now, otherwise we would not have had to pay the rates that the minister claimed had to be paid in bringing the grain across the lakes. He stated that we had paid 20 cents a bushel thirty years ago for bringing grain from the head of the lakes to Montreal. At the present time the rail rates from the head of the lakes to Montreal is only 25 cents a bushel, and that is after we have had practically 100 per cent of an increase in the rates. We have had an increase of 15 per cent, another of 25 per cent, and another of 35 per cent. That goes to show that we have not received the benefit from the Welland canal that the minister would have us believe, and that the minister's figures were very misleading to the House. However, $500,000 has been voted for the Welland canal. I think that at least a portion of that money could have very well been spent in Western Canada, and I am sure it would have given much better results.

I have already detained the House too long. As a final word I would say to the Government that the situation in Western Canada demands serious consideration at the hands of the Government, and unless they have the interests of Canada as a whole at heart, and have a kindly feeling for our people, I can assure them that they will find the progress in Western Canada will be very, very slow. I make this statement, that the fewer immigrants you bring

into Canada under present conditions, the better off Canada will be for some years to come.

On the motion of Mr. Cowan (Regina) the debate was adjourned.

On the motion of the Right Hon. Arthur Meighen the House adjourned at 11.55 p.m.

Saturday, May 14, 1921.

The House met at Three o'clock.

PRIVATE BILLS

FROM THE SENATE—FIRST READINGS

Bill No. 160, for the relief of Edward George Taylor.—Mr. Douglas (Strathcona).

Bill No. 161, for the relief of Margaret Swanston Neville.—Mr. Copp.

Bill No. 162, for the relief of Ernest Lillie Montgomery.—Mr. Fripp.

Bill No. 163, for the relief of Ethel Gordon Wright Ball.—Mr. Middlebro.

Bill No. 164, for the relief of Ivan Ignatius Brazill.—Mr Mowat.

BOARD OF TRADE REPORTS

BLANK FORMS IN FRENCH

On the Orders of the Day:

Right Hon. ARTHUR MEIGHEN (Prime Minister): Mr. Speaker, on May 2, and again yesterday, the hon. member for Montmagny (Mr. Déchène) asked that certain forms to be used by Boards of Trade in making returns should be printed in French for those who so desired them. I promised that I would make a statement on the matter to-day. I find that immediately after he brought the matter to the attention of the Government on May 2, orders were given for the printing in French of those forms. On inquiry to-day from the Under-Secretary of State, I find that he has been pressing for the completion of the orders for the finishing of the printing, but they were not ready, at least yesterday; he could not get an answer to his telephone message to-day, but these forms are expected at any time.

THE BUDGET

DEBATE CONTINUED ON THE ANNUAL STATEMENT PRESENTED BY THE MINISTER OF FINANCE

The House resumed from Friday, May 13, the debate on the motion of Hon. Sir Henry Drayton (Minister of Finance), that Mr. Speaker do now leave the Chair for the House to go into Committee of Ways and Means, and the proposed amendment thereto of Hon. W. S. Fielding.

Mr. W. D. COWAN (Regina): Mr. Speaker, on Monday last I was exceedingly surprised and very much pleased. I was surprised because when I left Ottawa a year ago, I was in grave doubt whether or not it would be possible for the Dominion of Canada to provide the money necessary to meet the expenditures that we had provided for in the Estimates. On Monday, therefore, when the Minister of Finance (Sir Henry Drayton) made his statement showing that we had a very substantial surplus over ordinary expenditure, that came to me as a very pleasing surprise. Next to that, what pleased me most as regards his statement and the subsequent statement made by the Prime Minister (Mr. Meighen), was the definiteness with which they laid their policy before the people of Canada. I am always pleased with public men who are clear-cut and definite. That is one reason why I have always admired the manner in which the Prime Minister has submitted his case to the Canadian people. I also notice that those of the official Opposition who have so far spoken in this debate, were definite in that they definitely showed that they had deliberately decided upon continuing their policy of indefiniteness. The manner in which they threw their two wings into the debate proves to me conclusively that they have entered upon this policy which has been all along a policy of duplicity and deception, for the purpose of continuing it as part of the game. First, they threw the hon. member for Shelburne and Queen's (Mr. Fielding), leader of the protectionist wing, into the debate, and he led it exceedingly well. Immediately following him, they threw in the hon member for Brome (Mr. McMaster) leader of the free trade platoon. The part, however, about the leader of the protectionist wing that caught my eye the quickest, that appealed to me the most, was the manner in which he began to flirt with the Agrarian party. It was quite evident to me and, I think, to the whole House, that he was laying his plans to form a union as between the Agrarian party and his own, and in doing so he was simply following up the line of policy laid down by the leader of the official Opposition (Mr. Mackenzie King) especially on his trip into Western Canada, where, day after day and week after week, he laboured to try to lead the

people to believe that the two parties should be united. I came to the conclusion, I think very properly, that the leader of the Opposition had commissioned the hon. member for Shelburne and Queen's to proceed immediately to Marquette and there negotiate another reciprocity pact. The hon. gentleman is well qualified to fill that role. He, as we all know, in 1911 was commissioned by the party to which he belongs to proceed to Washington and there to negotiate such a pact, and to conclude the treaty which would make Canada an adjunct of the United States. I fancy that the hon. member for Shelburne and Queen's, when he reaches Marquette, will try also to complete a treaty which will make the Agrarian party an adjunct of the present Liberal Opposition. The question is whether he will succeed or not. I know of no man better qualified to do that work than he. I will say, without any hesitancy, that no man in the Liberal party stands higher in the estimation of the Western Canadian people than does the hon. member for Shelburne and Queen's. He is held in the highest respect, notwithstanding on some things many of them differ from him. A year or so ago, when the Liberal convention was held and it was found that he had not been chosen as leader of the party, I will say that about ninety per cent or more of the Liberals in Western Canada were disappointed, because they believed that he would be a very proper person to undertake such a task.

What are the chances of such a treaty being consummated? We know that our friends of the Agrarian party have always been free traders, and those who to-day are trying to make out that free trade is not a policy of any party in Canada, really do not know what the West thinks. I have lived amongst the grain growers out in the West long before such a thing as the Grain Growers' organization was started, and I know whereof I speak when I say that, after all those years amongst them, I know that they talk free trade, morning, noon and night. It is the only thing they talk about; it is the centre of their whole political platform. The hon. member for Qu'Appelle (Mr. Thomson) said, the other night, quite distinctly that while they might for a short time graciously permit protection to continue, yet free trade was their goal and at that goal they were aiming. In 1911, this same party existed and at that time their policy was to permit truck and trade with anybody, free from all hindrances whatsoever. I fancy my hon. friend would not have any trouble in forming such an alliance with them on that basis at the present time. He must remember that he can not wrap up his negotiations in any way with the Union Jack. He must not permit sentiment in any shape or form to enter into them. He must not permit good Canadianism to be of any consideration at all. It is simply a question with them of truck and trade, with profit as the only principle upon which the arrangement can be consummated. Has he any other ground for thinking that such an arrangement could be made, that such an alliance could be formed? Let us look at what has happened in the last three weeks. My hon. friend who preceded me in this debate last night, the hon. member for Maple Creek (Mr. Maharg), has for many, many years been the president of the grain growers' organization of our province, and during the whole of that time he has talked of independence, and of nothing but independence. That was the only thing he believed in. Everywhere he went, and everywhere that the members of the party he belongs to went, they insisted that both political parties have been a failure. Independence was what he always advocated. He has consistently and persistently denounced everybody who in any way favoured party government. Party government, in his view, was a thing that must be abolished, but strange to say, some two or three weeks ago a peculiar thing happened. As I sat here one day and looked up into the gallery, I saw a very familiar face, that of a gentleman for whom I have the highest respect and admiration, the Minister of Agriculture for the province of Saskatchewan. I chatted with him up there for a while, and was very pleased to have the opportunity of doing so. A few days afterwards the hon. member for Maple Creek took the train for Regina, and strange to say a conversion must have taken place on that train, because when he landed there he evidently had forgotten that all along he had been denouncing party government, for he there and then immediately agreed to become a member of a party government —of the Liberal government of the province of Saskatchewan. These several conversions are indeed strange. The Prime Minister yesterday made reference to a gentleman named Lambert, who had written some very strong articles denunciatory of the policy of the present Agrarian party. He too was converted on call. As soon as another salary was obtainable in a different

sphere, he immediately became converted. My hon. friend from Maple Creek also was evidently converted on the train that took him to Regina. Shortly afterwards, he boarded the train back to Ottawa, and on that train he evidently got converted back to his old condition, for he now appears in this House in the role of a first-class Independent. Last night he got quite indignant over the fact that somebody, to use his own word, had talked about an amalgamation between the Liberal party and the Agrarian party. As I watched him, however, I observed that his words were not half so bitter as the expression on his face; you had to see him to realize how bitter he felt over that suggested amalgamation between the Liberal and Agrarian parties. It seemed very strange to me how this gentleman could at one and the same time become a member of a Liberal government in one part of Canada, and then here in this House wax indignant at the very suggestion that he and his party should become allied with the Liberal party in this House of Commons. I fully expect that as soon as this House prorogues and we go back home, the hon. gentleman will again board the train for Regina, and if he travels on that same car he will get converted again; when he gets to Regina he will be as thorough-paced a Liberal as one could possibly be, he will assist a party government in carrying on the affairs of the province; there is no doubt at all that that is what will happen.

What does all this mean? It means that a basis is there laid for the work which evidently has been assigned to the hon. member for Shelburne and Queen's (Mr. Fielding). The hon. member for Shelburne and Queen's will certainly now be able to say: Here is one member of this Agrarian party, a very prominent member of it—and certainly of all its members he has been the most aggressive in the province of Saskatchewan—who is susceptible to those influences which led him into the Liberal fold and into a party government, so why not all the rest of them? That is what I say,—why not all the rest of them. If the hon. member for Maple Creek will go, they will all go; there is no question about that. They will follow him, because since he came back I have not seen any sign of his colleagues in the Agrarian party ignoring him, or slighting or snubbing him, or in any way indicating that they resent the course which he has pursued. Therefore, I think it would be just as well for my hon. friend from Shelburne and Queen's to continue his adjunctivism—to call it so—and probably in time he will succeed in forming the alliance he desires.

Yesterday I was rather surprised, in fact, shocked, at statements made in the House by the hon. member for Megantic (Mr. Pacaud). I had never heard him speak in the House before, and I was rather pleased with the style of his address, but a letter which he read to the House came as a very distinct surprise to me. It was a letter signed by Mr. Pootmans, who lives in the city of Regina, where I live, and whom I have always regarded and who has always been known there as the Vice-Consul for Belgium. The statements which the hon. member made in that connection last night were quite contrary to the facts, and did not convey to the House a true impression of the actual conditions. Before I read what he said, let me say that I thoroughly approve of that $25,000,000 loan to Belgium. We had been associated with Belgium in the war; we knew what the courage of the Belgian people was; we saw them stand four-square against the German hordes at a time when their stand meant everything to the British Empire and the Canadian people. We saw that, and if for no other reason than that the loan would be of assistance to Belgium in rehabilitating that country to something like the state it was in formerly, I would have been exceedingly pleased to have had that loan made; but apart from that, of course, there was the consideration of the trade which might come to the Dominion of Canada as a result of the loan. Well, the loan was made, and the hon. member for Megantic, speaking of it last night, used this extraordinary language:

> They made an agreement dated March 21, 1919, by which only one-fourth of this loan to Belgium could be available for the purchase of food stuffs, thus forcing the Belgian Government against their will to purchase manufactured goods and raw materials of manufacture to the extent of four-fifths of the entire loan. What was the result? Just what was to be expected.

Force the Belgian Government against their will to purchase manufactured goods? I would like to know if there is any power in Canada that could force Belgium to enter into an arrangement that it did not want to enter into—Belgium, which opposed her little army against sixty or seventy million men, the finest trained military force in the world. Would Belgium yield to a demand at the hands of the Canadian people? Could Belgium be forced to do something against her will by the Canadian Government? There is absolutely

no truth in the suggestion,—you could not force Belgium; I have never yet seen the power in this world that could force Belgium to do anything she did not want to do. She preferred annihiliation to being forced to do something against her will. The Canadian Government had no such intention as forcing the Belgian Government. The Belgian Government is quite capable of taking care of itself. The agreement was made between the Prime Minister of Belgium, representing that country, and the Minister of Trade and Commerce of Canada (Sir George Foster), on behalf of this country. At that time Belgium was in such a position that she was in dire need of a great many things, one of her greatest needs being foodstuffs. We all know that while the war was on and for a short time afterwards, the people of Canada were constantly told that the people of Belgium had no shoes to wear, that they were going about barefooted, that they lacked proper clothing, and so forth; and I can quite understand that the Belgian representatives, in the face of these conditions, would be anxious to buy food, clothing and other necessaries as rapidly as they could be procured. Consequently they entered into this agreement of their own free will. Let me read further from the hon. member's speech:

> What was the result? Just what was to be expected. With the exception of $1,500,000—$277,000 in foodstuffs, $185,000 of which was for bacon, an article of food which made a name for itself during the war, and the balance for manufactured goods and raw materials—the credit was cancelled and the Belgian Government had to go to American bankers to secure our Canadian wheat.

This statement is wrong; it is untrue. The facts are that the Belgian Government entered into the agreement with the full understanding that it was good for a certain period, and a date was fixed in the agreement by which it was automatically cancelled. The Dominion Government did not have to cancel the agreement at all. The Government of Canada, had the Belgian Government so requested, could have renewed the agreement and extended it for a further period, but the undoubted fact is that the agreement automatically cancelled itself; and if during the whole time that it was in force the Belgian Government did not see fit to use the credit that was given them, then it was their own affair. As a matter of fact, they did use a certain portion of it, as follows:

[Mr. Cowan.]

Foodstuffs		$ 277,744 47
Steel rails		561,601 99
General manufactures:		
Boots	$385,466 50	
Underwear	184,096 00	
Sweaters	112,716 00	
Socks	213,851 50	
		896,130 00
Total		$1,735,476 46

There is not a single article in that list of which the Belgian people were not in absolute need at the close of the war and for a considerable time afterward; but that left a substantial balance to the credit of that country. For foodstuffs there was used only $277,000 odd, and Belgium required for all her purposes, out of this credit of $25,000,000, only $1,735,476. So that the actual facts are a startling contrast to the statements submitted to the House. The fact is that the balance lay unused. It could have been used by the Government of Belgium had they seen fit so to do; but they did not, because—as I am pleased to state, and I know the House is equally pleased to know the fact—that country picked herself up with remarkable rapidity. The conditions that obtained at the close of the war were quickly overcome, and it is pleasing to reflect that the Belgian people and their Government were so active and energetic that they could soon recover from the effects of the war. Of course, we should have been pleased to supply them with goods, extending the credit, but the fact is that they did not need those supplies, and there is no reason whatever why anyone should denounce this Government because the Belgian authorities did not see fit to make use of the credit Canada gave them. The letter to which I have referred is one which, I must confess, I do not like. The concluding paragraph is rather significant, coming as it does from the Belgian Vice-Consul. That gentleman states:

> I hold this information from high authorities in Belgium, and would appreciate it if you kept me posted by wire upon any development in this line, to enable me to inform my friends in Belgium.

Now, there may not be any collusion to which my hon. friend from Megantic (Mr. Pacaud), is a party, but there is certainly a suggestion of collusion on the part of men in high authority, and it does not look well for a member of the Canadian Parliament to be asked to keep this gentleman posted by wire—

> —upon any development in this line, to enable me to inform my friends in Belgium.

What does it mean? I think the hon. member for Megantic should demand an explanation from the writer in order that he may be freed from the suspicion which the letter naturally casts upon him.

Mr. BELAND: Is Mr. G. Pootmans the Vice-Consul of Belgium at Regina? I understood he was not.

Mr. COWAN: I know that Mr. Pootmans has been Vice-Consul as long as I can remember him being in Regina. During the war he acted as Vice-Consul of Belgium, collecting money for the Belgian people from the citizens of Regina, who subscribed generously through him to the assistance of that country. He is known to the people of Regina as the Vice-Consul for Belgium, and unless he has resigned within the last few days, or has been dismissed, I am inclined to think that he still holds the office.

Mr. BELAND: A Mr. Pootmans is Vice-Consul of Belgium in Regina, but there is another gentleman by the name of Pootmans, and I understood that it was he who wrote the letter.

Mr. COWAN: I do not know of two men named Pootmans in Regina; this gentleman is the only man of that name of whom I know. Of course, I do not definitely state that it may not be a relative of his who has written this letter.

Mr. BELAND: That is my information.

Mr. COWAN: I know of only one Pootmans who holds the position of Vice-Consul in Regina. In any event, this concluding paragraph strikes me as one that ought not to be allowed to pass unchallenged. However, I leave that point.

Mr. BELAND: Can my hon. friend state whether the Belgian Government did not make an effort to get the Canadian Government to extend the period of credit?

Mr. COWAN: I am not in a position to make any such statement. I am simply stating what has happened, and I point out that this money lay there unused until the period of credit had expired. I do not know whether or not they made application to have the credit extended. The Government can answer that question; I am not in its confidence. I am giving the facts as they are, and that is all I pretend to do.

Now, my hon. friend from Maple Creek (Mr. Maharg), yesterday undertook to prove a lot of things in regard to the tariff. As I said before, the tariff is about the only thing those hon. gentlemen can really centre upon. It does not matter what happens, if it be vile, or bad, or injurious, the tariff is blamed for it. That is their policy all through. Yesterday he complained about the increase in the price of binders and, of course, the tariff was to blame for it; there is no question about that. These are the words he used:

> We used to be able to buy binders for $145 to $150; last year we paid $289 cash for them, and this year we shall have to pay $339 for them.

Well, we will assume that his words are correct; I do not know. I have reason to believe that the price of agricultural machinery, in keeping practically with the prices of everything else has gone up of late.. Assuming that what the hon. gentleman said is correct, the increase for that year, the first year mentioned, was 92.7 per cent. Again assuming that those figures are correct the increase for this year, the higher cost, will be 126 per cent. Let us grant all that. The question then is, what is responsible? Let me say to the hon. member for Maple Creek that nobody regrets the increase in the prices more than I do. I would like to see the farmers of Western Canada get their implements at a much lower price than they are doing, but I am not going to shut my eyes to facts and say that the tariff is to blame for that increase if it is not responsible. Why should we concentrate an agitation upon the tariff, to reduce the duties and bring down prices, if the tariff is not responsible for these prices? Did my hon. friend yesterday say that the tariff is responsible? In that case let me look at the increases in some other countries. For example take Australia, where they also use a great many binders. Quoting now from the Australian Budget speech of April last I find that the price in Australia for binders one year ago was £32, and the price this season is £120, an actual increase of 275 per cent—that is to say the price of a binder in Canada has increased by 126 per cent, whereas in Australia it has increased by 275 per cent. Well, if we are to follow out the reasoning of the hon. gentleman and blame the tariff for this high price and this increase, then they must have a very high tariff in Australia, because the cost of binders has increased there twice as much as in the Dominion of Canada. But what are the facts? The facts are that there is no tariff at all in the Commonwealth of Australia—absolutely none. So it is quite certain that the tariff cannot be responsible for that high figure,

and that great increase. Will my hon. friend from Maple Creek now come forward and tell us that as there has been such a great increase in the price of this particular implement in the Commonwealth of Australia—the one he himself selected and as to which the increase has been more than doubled as compared with Canada—that because free trade prevails in that country therefore free trade is responsible for the increase and ought to be wiped out? It is the logical conclusion to come to, it is the only thing to do, if the tariff is responsible for that result. But let hon. gentlemen mark this: The increase is due to other causes than the tariff; the increases in prices in Canada have been just as great on goods imported into this country free of duty as on goods upon which a duty was collected. Let us, therefore, not concentrate our attention upon something that will not be of any avail. Let us rather direct our efforts to lines along which we can move definitely, and in a way which will be of some advantage to the people of this country.

The free trade wing of the official Opposition, and all the Agrarians, invariably insist that the duty increases the price of commodities. The hon. member for Brome (Mr. McMaster) said the other night "We cannot raise duty without raising the price to the consumer". The hon. member for Qu'Appelle (Mr. Thomson) was even more definite. He took up the assertion which has been made, and is being repeated on practically every platform in Western Canada, that for every dollar that is paid into the treasury of Canada by way of customs, $3 goes into the pocket of the manufacturer. My hon. friends make no attempt to prove that statement and it is absolutely untrue. They simply make the bold assertion and let it go at that, and they have repeated it so often that they have actually come to believe it themselves. That is the position in which they are at the present time. As a matter of fact many instances can be cited to prove conclusively that the duty has lowered the prices in Canada to the Canadian consumer—there is no question about it at all. Why, my hon. friend from Brome declared the other night that in the United States they only paid three hundred odd millions in duties—a great big nation of 110 millions of people—whereas Canada, with a population of only 9,000,000 of people pays 165 milions. Therefore the conclusion is, according to his reasoning, that the tariff is much higher in Canada than in the United States. That again is incorrect. It is quite true that is the amounts the Americans paid, but why? Simply and solely because the tariff in the United States was so high that it compelled the establishment of manufactures in that country until to-day it is the greatest industrial nation in the world. They can, and do, produce everything they consume, the result being that the internal competition has so reduced prices that the consumers there have no reason to purchase from foreign countries. That is the exact position in the United States. Their tariff is higher than ours, a good deal higher, but there is the result; and the tariff of Canada, if continued and scientifically arranged, will probably have exactly the same effect in this country.

Now, I wish to give my hon. friends an illustration—I have already given two or three—just to prove what I say. I am glad to see my hon. friend from Qu'Appelle in the chamber and I would like him to take notice of the illustration I am about to give, in view of his statement that for every dollar paid in customs duty, $3 went into the pants pocket of the manufacturer. I am going now to cite some evidence that was submitted from my own constituency to the Tariff Commission when they went through the West last summer. In the city of Regina we have several manufacturing establishments,—and here, let me say incidentally, that while a lot of you hon. gentlemen believe that we have probably nothing but free traders in Western Canada, there are a great many people out there who entertain a different belief. In the city of Regina fully one-third of the people there are dependent for their living upon industrial establishments which could not exist if it were not for the protective tariff, so that we have a direct personal interest in this matter. I am going to speak now of an establishment which manufactures doors, sashes, etc., and employs 80 or 100 men—quite a large establishment for a western city. I was there when the managers of this industry submitted their statement to the Tariff Commission. What they did was this,—and they proved their case absolutely and conclusively—they submitted to the commission a printed price list and many of those present were customers of theirs who had purchased goods from them, and the firm knew that these customers would check them up if their price list was not correct. Well, their printed price list was submitted. Their nearest competitors in the United States are in Minneapolis and St. Paul, and they also presented

the printed price of those competitors giving the figures respecting sashes, doors, etc., of the same size and quality that they themselves turned out, the comparison showing that the goods manufactured by the Canadian firm were sold in the city of Regina at a lower price than similar goods in the city of Minneapolis notwithstanding the 25 per cent duty, or protection as it is called. What does it mean? It means that the firm in question, by reason of the protection accorded, were able to build up an industry in the city of Regina which reduced the prices of these goods to the consumer, not only in the city of Regina but in such distant points as Winnipeg, and Lethbridge, right down to the international boundary. I know the argument will be advanced: Well, if they can manufacture these goods at a lower price than American firms what need is there for any duty? That is the stock argument of my hon. friends opposite. As to that I will read a few quotations from the evidence because it puts the facts in a clearer and more concise manner than I could do. I will therefore quote from the evidence and let it go on Hansard:

We manufacture doors etc., Generally speaking our protection is about 25 per cent, nevertheless our prices are usually on a par, and sometimes less than the prices of our United States competitors.

Minneapolis may be looked upon as our main point of competition. With the object of giving concrete comparisons between our prices and those of our American competitors I may say that a 24 x 24 window, two lights, which is an article on which a proper comparison can be made, was selling by our American competitors on March 1, 1920, f.o.b. Minneapolis at $5.35 subject to a trade discount of 35 per cent; on the same date we were selling a similar window for $5.15—

Note the figures, $5.35 and $5.15.

—subject to a 35 per cent trade discount with freight allowed to Swift Current, Saskatoon or Winnipeg, or where shipments were beyond those points with freight allowed to the places mentioned. On the same date the quotation of the same competitors for moulding was 50 per cent higher than ours and on April 9, 1920, mouldings which were sold by our American competitors at $1.50 sold by us at Regina at $1.20. A stock cross panel, or four panel door 2′ 8″ x 6′ 8″ x 1¾″ sold on March 1st by our competitors at $7.85, subject to a 20 per cent trade discount, was sold by us at $7.00 subject to a 25 per cent discount.

You will notice there a very substantial difference in favour of the Canadian manufacturer.

We desire to assure the Commission most sincerely that in fixing our prices we pay no attention whatever to the tariff or to the prices of our competitors, but do so on the basis of cost plus what we consider a fair profit.

And yet it is the regular assertion of hon. gentlemen opposite, reiterated day after day, that the Canadian manufacturers fix their prices by adding thereto the tariff. Here is a concrete case to the contrary, and I defy hon. gentlemen opposite to disprove it. The proof was submitted to the Tariff Commission, and I know it is absolutely correct.

Under the tariff as it at present stands only a very small quantity of American goods enter into competition with my output, and nevertheless as shown, the Canadian consumer is in no way penalized by the protection which I enjoy.

He is speaking as manager of the company.

Our prices are kept at their present low level—

Mark this, for it is the crux of the whole thing.

—owing to the large proportion of the market which we enjoy in the district served by us. Were the tariff to be removed Minneapolis firms would enter into competition with us, especially in Southern Saskatchewan and Southern Alberta where their rail haul would be about as short and their freight rates about as low as those with which we have to contend. Owing to the size of our competitors, their large output, and their large home-market, they would at once enter into competition with us at least in the district where the rail haul was favourable to them. If they succeeded, as they almost certainly would, in taking away some of our customers, our output would be correspondingly lessened and our overhead expenditure correspondingly increased, which would necessitate an increase in the price of our goods, which increase would make it all the easier for our competitors to cut farther into our field.

Under free trade we feel that we would have great difficulty in surviving. Under the competition which now exists among a large number of Canadian firms making goods of the same class as manufactured by my firm the consumer is amply guarded against unduly high prices, and we feel that to change the fiscal system of the country, thereby endangering the capital invested in businesses such as ours, and likewise endangering the employment of those who work for us, would be a mistake.

Now, I want to say to hon. gentlemen of the Agrarian party that the hundred men employed in the factory with their families are not only a benefit to the other residents of the city but to the farmers of the surrounding country. Many of those farmers to-day are making anywhere from $50 to $150 a month supplying milk and cream to these people who are earning their living manufacturing these goods which are protected, and which certainly would not be manufactured to the same extent if protection was removed.

Upon what grounds do my hon. friends of the Agrarian party insist that this tariff should be removed? They say most un-

hesitatingly that under protection there is no competition, that by removing protection you get competition and in that way you lower prices, that being the reason why they advocate the removal of the tariff. Well, let us take binder twine. I must ask my right hon. friend the Prime Minister (Mr. Meighen) to forgive me for referring to it again after he so completely dealt with it yesterday, but I would like to submit a little statement to supplement what he said, and which I think is rather conclusive proof of what the actual condition is. It is also proof that removing the tariff does not lower prices, does not promote competition, does not smash combines or rings, and does not prevent gentlemen's agreements. And I am going to take one of their own party to confirm what I say. Most hon. members know the gentleman as well as I do—his name is J. B. Musselman, and his home at present is in Regina. To those who do not know the gentleman, I may say that he is the brains of the Agrarian party in Saskatchewan. On the streets of the cities and towns in that province the general assertion is "that the rest of them talk and he does the thinking," and that is about the truth. The whole organization in the province of Saskatchewan, revolves around J. B. Musselman. His particular duty for some time back has been to handle the binder twine end of their business. I will not say that he has made a financial success of it, I am pretty credibly informed that last year's operations showed a loss of $60,000, and the year before a loss of nearly $50,000, and I think those figures are pretty near the mark. Anyhow, he appeared before the Tariff Commission and this is the press report of what he said. The question was asked him by the chairman:

But why is it, with no tariff on binder twine, it is more expensive by twenty-five per cent, in Canada than the States. He couldn't say, but Musselman supplied the information and in an interesting sidelight he said the International Harvester Co., of Chicago, the largest manufacturers of twine in the world, set the price. Twine for this section comes from Brantford, but it was explained that they follow the price set by Chicago and in this case the difference is about the difference in exchange. Drayton wanted to know if the Brantford Twine Co. was a flourishing company, and Musselman said it was. "Well," said the chairman, "they said they couldn't pay the one-cent sales tax on the materials entering into their product so close was their margin of profit."

Now, mark what follows:

Musselman said they paid handsome dividends, anyway.

[Mr. Cowan.]

He must have been mighty close to the inside to find that out. He said:

I speak from personal knowledge.

Yes, he speaks from personal knowledge. And he was the gentleman who after the Hon. George Longley and others appeared before the Tariff Commission cautioned them against making such extravagant statements and advised them to keep to the truth. As he gave them that excellent advice, I fancy he is keeping to the truth himself.

"I speak from personal knowledge when I say that the Brantford company held this year that the price of binder twine was too high." "Then why didn't they reduce it?" queried Sir Henry.

Then I commend the following to those who say that free trade smashes combines and prevents gentlemen's agreements.

Musselman ventured the suggestion that the Ontario company did not want to offend the big International.

What does that mean? It means one of two things: Either there was a "gentleman's agreement" between this Brantford concern and the International Harvester Company, or the Brantford company was subject to intimidation at the hands of its big competitor. You have got to make your choice. Personally, I would rather submit myself to a gentleman's agreement, for in that way you would be robbed with a velvet-gloved hand, but in the other way you would be robbed with a bludgeon,—although either way they get your money just the same. That is why they have a higher price for binder twine under free trade than they ever had under protection. What does this mean? It means on the evidence of their own party that combines have not been smashed. The only difference is that now the combine is located in the United States. Well, while I do not like combines, no matter where they are located, I would rather see one in Canada where it would be subject to some Canadian control, than one in the United States or in any other foreign country which we cannot reach at all. But the fact is that the combine does exist. The fact is, that there has been no competition in prices and that this industry has been practically ruined. What good has free trade done? What benefit has come to us from it? I cannot see that we have benefited by it; on the other hand we have lost thousands of men who could have been engaged in the manufacturing of binder twine in Canada for the benefit of the Canadian people,—and certainly the Cana-

dian consumers would have been no worse off than they are at present. So much for the grounds upon which the Agrarian party contend that the removal of the tariff would result in benefit to the Canadian people. I could cite many similar instances but I have not time.

However, I am going to devote a few moments to the free trade platoon of the official Opposition and see if they can give us any evidence as to the benefit of free trade in the way of smashing combines and so on. I am going to ask this platoon to take a trip across to England for a little while. I fancy that my hon. friend from Red Deer would be quite willing to go along with them, especially when he realizes the company in which he would go —because I am going to take this little platoon for the time being out of the control of the member for Brome (Mr. McMaster) and put it under the command of a man known all over Canada for his extreme Liberalism—his splendid Liberalism, I should say, his real, pure, genuine, honest, righteous Liberalism—a gentleman by the name of W. T. R. Preston. I do not know whether hon. gentlemen have ever heard of him before; anyway no one, I am sure, will deny his Liberalism. I am not very well acquainted with the gentleman's history, but as I understand it he was sent over to England in some official capacity, he came back to Canada, and, according to a press report—I am taking this from a farmer's paper under date of March 9, last—at the last session of the legislature of Ontario he appeared before the Farmer Government of that province in connection with some inquiry that was being held, and gave evidence. Before I read the evidence which he gave on that occasion I should like to remind the House that the hon. member for Red Deer has day in and day out for years back been insisting that free trade was established in Great Britain to get cheap food for the British people—so that goods could be cheaply manufactured by cheaply paid workmen living on cheap food, and sent out into the markets of the world to compete with the products of other nations. That is his line of reasoning; that is the argument he has been propounding all along. Remembering that, let us see what Mr. W. T. R. Preston has to say in the evidence to which I have referred:

Mr. W. T. R. Preston appeared before a Special Committee of the Ontario House and advocated the establishment of apple warehouses in England for Ontario apples. He said:

"Losses of millions of dollars are sustained annually by Ontario because of the operations of a price-fixing ring in Britain." Mr. Preston charged that British consumers paid $25,000,000 annually for Canadian apples, the cost of which f.o.b. Liverpool was not more than $6,000,000.

"Free trade and no combines!" "Free trade and no rings!" "Free trade and cheap goods!" Yet this free-trade Liberal, a Liberal of the same school as my hon. friend from Red Deer, says that the operations of these people in England have resulted in their obtaining a profit of $19,000,000 out of every $25,000,000 worth of Canadian apples supplied to the British people.

Mr. CLARK (Red Deer): Will my hon. friend oblige me with the date of that report?

Mr. COWAN: Yes, March 9 last.

Mr. CLARK (Red Deer): That is, since the war.

Mr. COWAN: March 9 last, yes. At least, I think the war was over before that; I would not be sure—

Mr. CLARK (Red Deer): But it is still affecting prices.

Mr. COWAN: There is no doubt of that. But while it may be affecting prices it certainly is not affecting that ring over in Great Britain; they are still carrying on their operations in Great Britain and free trade exists in fact just as it did before the war. So that my hon. friend's argument in that regard does not amount to any more than his arguments usually do.

Mr. CLARK (Red Deer): The hon. gentleman will have to ask the Prime Minister about that; he says the opposite.

Mr. COWAN: The Prime Minister is always able to take care of himself; I wish the hon. member for Red Deer could do the same for himself. What always amuses me is the strange inconsistency of these gentlemen opposite, who are always wanting free trade to help themselves and always wanting protection to help themselves. Just in parenthesis, I should like to remind my hon. friends of the Agrarian party who come from Saskatchewan of a little incident which occurred about three years ago when fifteen of us met in the city of Regina. All the members from Saskatchewan were there, the only one absent being the Minister of Immigration (Mr. Calder). At that meeting a certain request was made by the manager of the Saskatchewan Creameries, an institution subsidized to the extent of over fifty or

sixty per cent of its capitalization by having that amount guaranteed by the Provincial Government. The Provincial Legislature of Saskatchewan has year after year passed resolutions demanding a reduction in the tariff. I do not blame them for that at all, although I think they do go beyond their province. But at that meeting the manager of the Saskatchewan Creameries came to us and stated that he wanted us to place an absolute embargo upon the importation and manufacture of oleomargarine. We asked him why; was oleomargarine unhealthful? No, he said, that was not the reason at all; if the embargo was put on, he pointed out, it would give him protection and would enable him to pay a higher price to the farmers for the cream that he was buying from them. So here we have the extraordinary spectacle of the manager of a creamery company subsidized by the Provincial Government, in a province which year after year passes resolutions in favour of a reduction of the tariff, asking us to assist him in the placing of an embargo, an absolutely prohibitive embargo, upon this article of manufacture.

Mr. REID (Mackenzie): Would the hon. member give me that gentleman's name?

Mr. COWAN: The manager of the Saskatchewan Creameries. The hon. gentleman was there; he knows him as well as I do.

Mr. REID (Mackenzie): I deny that; I was not there.

Mr. COWAN: There was not a man from Saskatchewan absent except the one I have mentioned. They were all there, the whole fifteen of us, and the hon. gentleman was there with the rest.

Mr. REID (Mackenzie): Does the hon. member not know the name of the gentleman he speaks of as manager of this creamery company?

Mr. COWAN: I just forget the name, but it was the manager of the co-operative creamery in Saskatchewan. There is only one manager, so there could be no mistaking him. We were all there, the whole bunch of us, so that there are plenty of witnesses.

Mr. LONG: May I ask whether the principle embodied in that request was endorsed at the meeting?

Mr. COWAN: No, certainly not. I simply wanted to bring out the point of the request that this manager was making; we did not endorse it.

Now, I am afraid I have far more material here than I can possibly deal with. I take this position, clearly, definitely and distinctly: that Western Canada has reached the point in its development where a protective tariff can be of benefit to it. I am prepared to admit that some time ago we paid the penalty for the benefit derived from the tariff by the rest of Canada. We have now reached the point where a very substantial industrial development is due in Western Canada, and I am not going to turn round and throw down the tariff just at the time when we need it most. There are many lines of industry which can be established in Western Canada, lots of them. Last night the member for Maple Creek (Mr. Maharg) told us about the scores of people who were leaving southwestern Saskatchewan, his own district. That is probably true. But ever since I came into this House I have been drawing attention to what can be done in that district in the way of establishing a great industry. Has the member for Maple Creek ever given the slightest assistance to any movement which would result in populating that district with industrial people? Not a bit of it. I have never heard him offer a resolution on the subject. He can talk about wheat and I have no objection to his talking about that as much as he likes, because wheat is a very good thing to raise and I hope we shall do everything we can to assist the wheat growers —but there are other things which require attention, which can be developed, and I want to see those things looked after. I wish to place this article on Hansard, because I believe in posting the people of this country just as much as I can. This article relates to the constituency from which the hon. member for Maple Creek (Mr. Maharg) comes more than any other, although it has reference also to two other constituencies. It is from the Regina Leader of April 30:

4 p.m.

When one considers that in Saskatchewan alone brick and tile buildings to the value of $8,375,744 were erected during 1920 and that only about $300,000 worth of brick and tile was manufactured locally, despite the fact that we have such large and valuable deposits of clays must convince anyone that this particular resource is in need of study and development.

It is not generally known that such articles as jam pots, milk jugs, bean jars, mixing bowls, and other lines of crockery are now being made of Saskatchewan clays and are finding a ready market in Eastern Canada.

I want those raw clays, not only mined in Saskatchewan, but manufactured in that province, and I want such duties imposed as will assist in having those raw clays manufactured there. The hon. member for Maple Creek, however, has never, so far as I can remember, raised a finger in support of any suggestion:

> The raw clay is mined in this province and shipped out for manufacture. If such products can be marketed successfully as far East as Montreal, then it is reasonable to expect that a local concern properly organized and with adequate capital might in a few years secure a fair proportion of at least the western market. This particular market alone is well worth capturing. In 1920 Western Canada used well over $28,000,000 worth of clay products in addition to its share of $41,000,000 worth of crockery imported from the United States.
>
> "With facts such as these" said Mr. Dunning, "we feel the department would fail in its duty were we not to devote some special effort towards the assistance of those clay plants already in existence as well as the development on a broader scale of such a valuable resource. Why should we be importing building materials at great expense when the very best of such materials are undeveloped at our very doors.

Those clays are all located in southern Saskatchewan, the very district that, the hon. gentleman deplored, the people are leaving. Why not give every assistance that we can to build up this industry in that district and thus keep those people there, instead of taking a course which is driving them out of our country? It may be interesting to my hon. friend to know that this was an interview given to the press by a gentleman who is his colleague now in the Saskatchewan Government, Hon. Charles Dunning, and I rather commend him for the last lines of it:

> Why should we be importing building materials at great expense when the very best of such materials are undeveloped at our very doors?

That is an excellent sentiment, and I am glad to see that the Liberal Government of Saskatchewan is getting that view. It will be of great benefit to Western Canada if the grain growers' organizations will get the same view, and I am glad to say that some of them are coming to that view. Just a short time ago, the farmers of Alberta met, and they passed this resolution instructing their executive to make inquiries:

> The convention asked the association executive to investigate possibilities of manufacturing leather and cotton products in the province and so avoid the long railway pull east and west.

In my candid opinion, in the two lines of that resolution, there is more development, more enterprise, more Canadianism and more good business than is contained in all the speeches delivered by members of the Agrarian party since I came into the House. That is real business; that is doing something in our country. Why should we not do it? As regards those clay products, my suggestion to the Minister of Finance (Sir Henry Drayton), before he brought down his Budget, was a very definite one, and I do not care who knows it. I am sorry that he did not act upon it. I asked him so to arrange his tariff that we might have a larger capital invested in those industries in Western Canada, especially when we consider that, in Saskatchewan alone, brick and tile buildings to the value of over $8,000,000 were erected in 1920, and that only about $300,000 worth of brick and tile was manufactured locally, and that in 1920 Western Canada used well over $28,000,000 worth of clay products, with only a comparatively small quantity manufactured in Saskatchewan. We must get away from the idea that the only thing we can do in Western Canada is to raise wheat. I am glad to say that we can raise wheat; raising wheat is a splendid thing to do, and wheat growers should be given every possible encouragement. But at the same time we want established in Canada every industry that can be established and I am going to bend all my efforts in that direction.

In a recent debate the hon. member for Maple Creek read a few lines from a pamphlet which I had issued once upon a time with a very lurid heading, and as I had no right to reply, I should like to state my views now. I will not refer to that debate, because I might be out of order, so hon. members must not consider that I am quoting from that debate at all. The hon. member quoted something that apparently showed that I had some objection to manufacturers. The difference between my hon. friend and myself is this, that I see a difference in the manner in which various Canadian manufacturers are dealing with the western markets. There is a big difference in the views with which they look upon the policy of protection. The policy of protection, as I understand it, as enunciated by Sir John A. Macdonald, has for its principle the establishment of industry in Canada so that our people will be able to develop their natural resources and thereby give work to thousands of men. The idea of protection is that Canadian manufacturers will manufacture so as to supply the Canadian market. The idea is not that a manufacturer

shall manufacture a very small quantity and get a very high price for it, making his profits in that way. Probably there are in Canada a few manufacturers who are doing that; but the great bulk of them are playing the game squarely, and I want to differentiate between the two. When I find a manufacturer playing the game according to the spirit and intent of protection, I give him all the consideration that I posibly can. If I find a manufacturer who is not doing so, he must take the consequences. I do not think I have any reason to regret the course which I took, speaking in that way.

Let us look at the situation in Western Canada. We find that many lines of goods are coming into that part of the country. Our people are a music-loving people; indeed, I fancy there is not another part of the American continent in which the homes of the people are better supplied with musical instruments than Western Canada. Go where you will, you will almost always find a piano in the home. Of what make? I have not seen more than two or three American-made pianos in Western Canada, and I never saw one of English make. Practically every one of them is of Canadian manufacture, and although there is a duty of 25 or 30 per cent on pianos, I have never heard anybody in the West complaining of the duty on pianos. That means that manufacturers of pianos in Eastern Canada have grasped the spirit and intent of protection, and they are carrying on their factories to the limit, employing as they do, thousands of men, as many as the Canadian market will warrant them in employing, the result being that they are not only supplying us, but keeping thousands of men in employment, giving a direct return to me, for every one of those men is assisting me in my duties of contributing to the treasury of this country and carrying on Governmental affairs. There is not a man in Canada at work but is a benefit to me, even though he lives 2,000 miles away in another part of Canada.

Practically the same thing is true as regards stoves. A few may be found in Canada that are manufactured in Chicago or in other parts of the United States, but the great bulk of our stoves and furnaces are manufactured in Canada. Let me commend the spirit of these eastern manufacturers; they are living up to the spirit and intent of the protective tariff, and they are manufacturing for the whole of the Canadian market.

[Mr. Cowan.]

The same thing may be said of boots and shoes. I fancy that ninety per cent of our boots and shoes come from Eastern Canada; in Quebec hundreds and thousands of people are making their living by supplying us with boots and shoes, and they are supplying them just as good and cheaply as boots and shoes can be bought on the American side. I know this, because I have bought them recently in both countries. If there is a little bit of extra cost, if the compensation is there I am quite prepared to pay the price.

But when we come to some other lines I must say that we find a very great difference. It may be that the difference is due to the tariff on the three lines I have mentioned. The duty has been about 25 or 30 per cent. But when we come to agricultural implements we find that the duty has been only from 12 to 15 per cent. And what has been the result? You can go into the city of Regina, which is said to be the largest distributing centre of agricultural implements in the world, and from now until late in the season you will find the warehouses full of agricultural implements, and not only the warehouses full to the doors, but acres and acres of land covered with agricultural implements. You can go through those warehouses and over those acres of land covered with agricultural implements and you scarcely find a Canadian-made machine. You will see separators by the hundreds from the United States, and binders and everything else. I regret that that is the case. Why is it that in agricultural implements our Canadian manufacturers have lost the western market, while in other lines they have been able to hold that market? Is it due to the business management of the companies? Let us take the Massey-Harris Company, for example. I venture to say that the Massey-Harris binder is as good a binder as you can get anywhere; it gives just as good satisfaction as any other make, and our farmers would be glad to buy it if they could always buy it, but they cannot. Let me give an illustration. Three years ago a man came into my office from a town about one hundred miles from Regina, and he was very wrathy. He told me that he dealt in these agricultural implements, and this was his story. Following their usual custom the farmers out there had come into town and told the dealer that provided their crop ripened they would require a binder. That is the usual practice, and I cannot blame the farmers for that, because there may be a hail storm or a blight and

the whole crop is gone, or once in a while—but very rarely now, I am pleased to say—a frost will come along and the whole crop will be destroyed, and the farmer, of course, would then not need a binder, so they take the precaution of giving a conditional order. Well, this dealer had received sixteen orders for binders, and when the crop ripened the farmers all demanded their binders at the same time, because the crop ripens about the same time. They came in for their sixteen binders, and the agent was able to supply them with only one. The rest had to go across the street and buy American binders. All I have to say is this: There must be something wrong in the business management of that concern. Perhaps this agent was not financially able to carry these binders; I do not know enough of the financial arrangements as between the company and their agents to say, but I do know that the Americans have their machines there when they are wanted, while the Canadian manufacturers have not theirs there, and the result is that they canot sell them.

I was very much interested in the evidence given by the representative of the Massey-Harris Company before the Tariff Commission. There is one part of his evidence which indicates to me just where they have fallen down, and where I think probably some other Canadian manufacturers have fallen down. This man gives some very good evidence. He says:

> Two political parties have placed "free agricultural implements" in their platform, and I come before you on the defensive, for reasons to be touched upon later. I submit that there is considerable public opinion, particularly among the farmers of Western Canada, in favor of free trade in farm implements, but I submit, and will endeavour to prove, that this opinion has been based upon false promises, due to a political and newspaper campaign over the past fifteen years or more, which has systematically misrepresented the position of the agricultural implement makers of this country. So persistent have been the false statements made that they have long ago been accepted by a large number of people as facts. We have not endeavored in the past, to any large extent, to meet the allegations sown broadcast, because, in the first place, they seem too grotesque to be accepted.

They have not made any attempt. Well, who on earth did they expect was going to get up and defend this firm against their rivals? Did they expect their rivals to do it for them? Did they expect the municipal councils to meet and pass resolutions in favour of the Massey-Harris Company? Did they expect this Government to do it for them? I say that this firm has fallen down in salesmanship. They have not had their men there to sell their machines, and the result is that they have to a large extent lost that market, just as other manufacturers of other lines of goods have lost it. The hon. member for Maple Creek takes the ground that as some company in the East in years gone by refused to sell their machines, the only thing for the farmers to do was to buy them in a foreign market. There I differ with him. When I see a defect in the Canadian trade system, I want to find out just what that defect is, and remedy it. That is where he and I differ. He says: I will jump the country altogether; I will not having anything to do with Canadian manufacturers or Canadian-made goods; I will buy my goods in a foreign market. That is a mighty unpatriotic thing to do, and shows a mighty un-Canadian spirit; that is what I believe, and I have no hesitation in saying it.

I have spoken of the acres and acres of land out around Regina that are covered with American-made agricultural implements. Take that army of unemployed that the hon. member for Maple Creek spoke of yesterday—he said there were 200,000; I do not know whether that is correct—or take our returned soldiers who are to-day out of employment, and there are a number of them, I am sorry to say, and show them this host of machines and tell them that they were made in the United States;—what do you think they would say? They would say: Why not let us manufacture some of them? I want to know why our own men in Canada should not be manufacturing these goods. If they were, we would not have a single idle man in Canada to-day. My opinion is that we should adopt in all lines of goods a policy as a government, and also as a people in favour of purchasing Canadian-made goods. That is what I buy whenever I can, and I have done so for the last twenty-five years.

In closing, I want to refer to a campaign that is being carried on regularly and persistently by my friends of the Agrarian party. Wherever they go they make this assertion—I have heard it from a hundred platforms: Both political parties in Canada have been an absolute failure; wipe out both of these parties and put us in power. The hon. leader of the Agrarian party varies that just a little bit. I noticed not very long ago, in MacLean's Magazine, he said this:

> A Government can rarely rise above the source from which it derives its origin and though many able and disinterested men freely gave their talents and energies to public life, the level

of our governments in both the Federal and Provincial spheres has been deplorably low and their efficiency and foresight have often left much to be desired.

I want to say to my hon. friend, as I have said many times at many different gatherings—and I have addressed many young men's and young women's clubs—in politics, as in business, never to try to succeed by tramping on the neck of your enemy. Try to succeed by your merits, and by your own merits alone. I pass that suggestion on to my hon. friend. When he tries to succeed by denouncing and condemning everybody else in Canada, I do not think he is doing himself any credit at all. What is the position? What is a "failure?" How do we judge it? I would say, by the results. What have been the results of the two-party system in the Dominion of Canada. As long as I can remember, long before Confederation, we have had two parties in this country; we have never had anything else except party government in Canada—either a party government, or a union of the two. In provincial and federal politics that has been the rule. We can therefore say that Canada as it is to-day is a result of the efforts of these two parties. Our educational system in the various provinces of Canada to-day, whatever it may be, is due to the efforts of these two parties; our judicial system, our whole Canadian citizenship as it stands to-day, is the result of the efforts of these two parties. And I challenge any of my hon. friends in the Agrarian party to rise in his place in this House or anywhere else and say that he would exchange his Canadian citizenship for citizenship in any other country in the world. They dare not do it. I challenge them to do it. To-day Canadian citizenship stands high simply because we have had the dual party system in this country, the system that has produced such men as Gladstone, Disraeli, Lloyd George, Washington, and Abraham Lincoln. I say, Sir, that we have a splendid Canadian citizenship because we have had two parties, and it ill becomes the hon. gentleman to say that both parties have been a failure. The condition of Canada to-day speaks for itself, and is ample evidence of the beneficent effects of the two-party system. Now, Sir, I am sorry to have delayed the House so long. Much of what I had intended to say I have omitted owing to pressure of time, but I thank hon. members for bearing with me in the remarks I have made.

[Mr. Cowan.]

Mr. J. F. REID (Mackenzie): The hon. member who represents the constituency of Regina (Mr. Cowan), has made some very bold statements, but I must remind him of the fact that a mere assertion does not prove his case. I am not aware that the hon. gentleman has ever used any binding cord; I do not think so.

Mr. COWAN: Of course. I was born and brought up on a farm.

Mr. REID: I will take the hon. gentleman's word for that, but quite evidently he knew enough to get away from the farm where the drudgery was to be found. He made a statement in regard to the tariff which I will deal with later; I will not refer to it just now. He gave to Mr. Musselman, the secretary of the Saskatchewan Grain Growers' Association, a very high recommendation; in fact, he said that that gentleman was the brains of that organization.

Mr. COWAN: Hear, hear.

Mr. REID: I am glad to know that there is one man in the city of Regina whom the hon. gentleman is prepared to put nearly on a parity with himself. In speaking about binding cord, the hon. member tried to prove that this article was dearer under free trade conditions than under protection. I know a little about the price of binding cord, having bought it for many years, both under protection and under free trade. During the war—I am speaking from memory, but I am pretty sure that I am nearly within the mark—the highest price paid, at the peak of conditions in war times, was 25 cents per pound, and the highest price in normal times—under protection—was 22 cents per pound. Now, let us take a low figure in normal times under free trade conditions. Has my hon. friend any idea what the price of binding cord was in normal times, before the war, under free trade conditions?

Mr. COWAN: Will the hon. member please repeat the question, I was not listening.

Mr. REID: I know my hon. friend cannot answer the question, anyway. He also made the statement that at a certain meeting in Regina the manager of the Saskatchewan Co-operative Creameries was present and asked us to back up protective measures so as to help out the creameries in Saskatchewan. My hon. friend could not give the name of that gentleman, but I should like very much to get it.

The hon. member, since he came to Ottawa, I observe has undergone a change of heart in regard to the Canadian manufacturers. I know very well, and I am sure he will not deny this, that before coming to Ottawa and falling under the subtle influence of the party to which he belongs, what he had to say was very different from his opinions now. I shall read from a pamphlet issued by my hon. friend, a copy of which he was kind enough to send me. I will not record on Hansard the title of the pamphlet; I will respect my hon. friend to that extent. He said:

Go over to the North side of Regina and in half an hour you will see what a wrong conception the Canadian manufacturer has of the Canadian tariff. Acre after acre with foreign made goods; here and there a Canadian made machine—that exception amply testifying to the small soul and narrow vision of the manufacturer who made it.

Can we give employment to our returned men when that condition prevails? Can we be considered industrially alive when that is the established order? We Canadians have time after time declared our faith in a protective tariff, and I am a protectionist yet, but I would be darned well ashamed of myself were I a manufacturer enjoying 35 per cent tariff and still see foreigners running off with most of my preserve. There is something wrong with the Canadian manufacturer; he wants a jolt; a head-on collision, as a matter of fact something that will knock him clean out of his state room into the day coach where he can get some idea of what surrounds him. Grit or Tory or Unionist has no objection to being decent to him as long as he is alive; but we are tired carrying a corpse. These dead men who imagine they are going to feed returned men on tariff are a menace to our country to-day.

If they will but shut up and get busy and make goods—

Mr. COWAN: Hear, hear.

Mr. REID: I am reading the hon. member's words.

Mr. COWAN: That is just what I said.

—selling them at a reasonable profit, so that they will sell them, and thereby make more goods, thus employing returned and other men, we could forgive them. But if they start any more of this doling out tariff from their measly little shops where tariff and profit are the chief things they manufacture (except nerve), then they had better quit, for our country is in no mood to tolerate their unprogressiveness and lack of enterprise. Western Canada at least will tolerate a tariff more willingly than they will manufacturing sloth. If the tariff is designed to increase manufacture, and thus give employment, then it must do what it is designed to do, or cease to exist. A market big enough to keep every returned soldier employed exists and it is not proposed that the tariff beneficiaries shall by means of that interpretation of the tariff which yields big profits on a small output rather than small profits on a big output, prevent our returned men from engaging in the supply of that market. The contracted conception of his duty as a manufacturer enjoying exceptional privileges,—

Mr. REID: I want the hon. member for Regina to hear this:

—which our manufacturers have, is the biggest stumbling block to-day in the way of getting employment for our returned men. If our manufacturers are to get the profits of a protective tariff then they must at least make an attempt to supply the goods that the tariff protects. Otherwise the tariff has no virtue. Who in Canada will say that our manufacturers have been equal to our Canadian market? Go into our stores and buy Canadian goods if you can, and there get your answer. Our warehouses the same. Wake up manufacturers, and make your factories Canadian size. If you don't the Government will be justified in wiping out every vestige of protection you have."

This is the reason why I say that the hon. member for Regina has evidently experienced a change of heart, no doubt due to some influence that has been brought to bear upon him of which I am not aware.

I listened yesterday, Mr. Speaker, with considerable concern, to the tirade of abuse which the Prime Minister directed against this little group of Progressives. He tried to make out that we were allied with the Liberal party, or that the Liberal party was cooing and wooing us and that we were flirting with them. I believe the Prime Minister, in a moment of weakness, forgot himself when he indulged in statements of that kind. I was not aware of the existence of any such cooing and wooing; but when the right hon. gentleman ventured the assertion I exercised my mind in order to see if I had ever felt that thrill,—that thrill almost unexplainable,—which you experience when you are being courted. After indulging in that mental exercise for a considerable time I recalled the fact that I had been wooed a little, and cooed at a little, and flirted with a little, but it was when I occupied a seat on the Government side. Now the Prime Minister in his imagination professes to think we are married to the Liberal party. His peroration, however, reminded me of a story which I read long years ago in my school books. It was of a certain fox who was very fond of grapes and had got into a vineyard. He saw a most beautiful bunch of grapes hanging up and he said "I must have those grapes." He endeavoured, time after time, to seize those grapes but they were beyond his reach and finally coming to the conclusion that they were unattainable he declared "I do not want those grapes, they are sour anyway." So the Prime Minister in a moment of weakness, said "I will fling the Progressives into the ranks of the Liberals and let them stay there." But, Mr. Speaker, the Progressives

are still on the cross-benches; we are still there unhampered by any party ties other than our own. We have been wooed by my good friends opposite, who are the supporters of high protection and special privilege, but we stand to-day in the middle of the road.

The hon. and gallant member for Fort William and Rainy River (Mr. Manion) in his very excellent and illuminating speech made one outstanding statement that I cannot agree with, and I am sure that it must have been based upon an error in calculation. My good friend from Regina (Mr. Cowan) also said that the United States tariff is much higher than ours. I have his actual words here; he said: "A good deal higher than the Canadian tariff." Let me make this reply to both hon. gentlemen: I find that our customs tariff taxation per capita last year was $22.55, whereas the United States tariff taxation per capita was $3.15. If my good friend from Regina was a labouring man and had to support a family of five children on wages that amounted to only $500 or $600 yearly what would this mean? That in Canada the average family of five would have to pay a tax, from which they could not possibly escape, of $112.75, whereas the same-sized family in the United States would only have to pay $15.75. It should also be remembered that to that taxation we are adding a sales tax which will represent a total payment in the case of the average Canadian family of $147.75. I would like my hon. friends opposite to try and put themselves in the position of the average labouring man, of the navvy if you like,—the cheapest class of labour. These men generally have the largest families to raise; they have Israel's blessing.

Mr. LALOR: On what does my hon. friend base his statement that there is a per capita payment of $147?

Mr. REID (Mackenzie): I say that our customs tariff taxation per family of five is $112.75, taking our population at nine millions; and if you add the sales tax to that you will get $147.75. My hon. friends opposite can work it out at their leisure; if they make the amount less it will be all the better for the people of Canada.

Mr. COCKSHUTT: That must be per family, it cannot relate to the individual?

Mr. REID (Mackenzie): For the purposes of my calculation I took a family of five; my hon. friend could not have been listening to my remarks.

Mr. COCKSHUTT: I was, and I took the statement down.

Mr. CALDWELL: Then your pencil is crooked.

Mr. REID (Mackenzie): The hon. member for North Oxford (Mr. Nesbitt) for whom I have a high regard because he is a pretty level-headed man, gave utterance to one statement that I agree with entirely. He said that a great deal of the Estimates voted could be saved especially in regard to the Trent Valley canal. I am not going to dwell on the subject of the Trent Valley canal, we have had enough of that; but I agree with the member for North Oxford, that this Government is spending money at the present time that could well be saved. The works upon which this money is being expended might well stand until our financial position is better. With all due respect to the Government it has got into the habit of spending millions during war time, it has become extravagant; and I am sorry to say that although we on this side of the House held the Administration up for two nights trying to persuade it to curtail the expenditure we did not succeed. What happened? By resorting to the closure, and by the aid of a majority vote, the large appropriations in question were put through. The works on the Welland canal could also wait until our financial position has improved. By exercising economy we could save millions of dollars, and thereby reduce the taxation which is bearing so heavily on our people to-day. With another statement that my good friend from North Oxford made I cannot agree; I do not think he had seriously considered what it meant. It was that we should not buy goods in the United States until they accept our dollar at par. That sounds very well, but there is a "but." Supposing Great Britain were to say to us, "We will not buy your products until you take our pound sterling at par," where would we be? I think my hon. friend will be rather sorry that he made such a statement.

Now, in regard to the tariff, my hon. friend from North Oxford says that he has figured out very carefully just what the tariff on agricultural implements means to a farmer producing grain. I do not know whether his figures apply to an Ontario farmer or to a Western Canada farmer. But he says that the tariff on agricultural implements means a toll of one cent on every bushel of grain which the farmer raises. To save time, I am not going to

contest his figures, although my own opinion is that the toll amounts to very much more than a cent a bushel; for the sake of argument we will assume that he is right. Taking his own figure it would give the manufacturer $8,653,600. Of that total Western Canada would pay $6,967,546. Now, Sir, I should like my hon. friend from North Oxford or any other hon. gentleman to show me how the manufacturer justifies himself in taking this toll out of my grain. He does not ask me whether I am willing or not, but he takes that toll. What do I get in return? The days of toll gates are long gone by, and yet our manufacturers persistently take this toll from my grain and from every other farmer's grain, according to the hon. member for North Oxford.

But, Mr. Speaker, the tariff on agricultural implements is only one of the items which we say are unjust. Why should the necessary articles of food and clothing be taxed? Do we never think of the poorer labouring class, the navvy for instance, perhaps the lowest paid of any class of labour? Do we never think of their children going about poorly clad and shivering for the want of warm woollen clothing to protect them against our cold winters? While our manufacturers of textiles are enjoying a tariff of 35 per cent, I am told on very good authority that their capital stock is very heavily watered, and that they are making huge dividends even on that watered stock. It is unthinkable, Sir, that any government should protect such an industry and penalize the great masses of the people, who, unlike the wealthy, cannot take a jaunt to a foreign country to buy expensive goods and smuggle them into Canada.

My hon. friend from Dundas (Mr. Casselman) in his speech, bewailed the fact that the farmers' organizations, as he called us, were making such rapid strides, but he admitted that we were entitled to representation in Parliament, although he thinks we have no right to try to get control of the government. Well, it naturally works out that those who are entitled to representation have, of course, a chance of getting control of the government. Then he made reference to the Government of the province of Ontario. It seems to me that the people of that province are quite satisfied with the government which they have to-day. But while my hon. friend was decrying that government I wondered: Are there any other timber limits left in his province for the Farmers' Government to graft? It seems to me that nearly all the timber limits have already been given away.

Mr. McGIBBON (Muskoka): Does my hon. friend know how many square miles of timber limits the present Government of Ontario have given away, and how those grants compare with grants made by former governments of the province?

Mr. REID (Mackenzie): Is my hon. friend able to tell me how much grafting was indulged in by the late Conservative Government in that province, of which he is a consistent follower?

Mr. McGIBBON (Muskoka): There was not any.

Mr. REID (Mackenzie): Is not my hon. friend aware that the leader of the Conservative party in the province of Ontario at the present time has a reputation which the less said about the better? In fact, it was so besmirched that his party had to dip him into a barrel of whitewash. Then what did they do? They made him their leader and patted him on the back, saying, "Well done, old fellow; go and get some more graft."

Mr. McGIBBON (Muskoka): Will the hon. member answer my question?

Mr. REID (Mackenzie): You will have your chance later on.

Mr. CLARK (Red Deer): What have we to do with that government anyway? You should be in the local house.

Mr. REID (Mackenzie): The hon. member for Frontenac (Mr. Edwards) the other evening made a vicious attack—and it is quite common at the present time in this House—on the Progressive party. He was especially severe on our leader, the hon. member for Marquette (Mr. Crerar) and it seemed to me that he was happiest when he was slinging the greatest possible amount of mud. He reminded me of a story which I have heard told of the late Right Hon. Sir John A. Macdonald. During a political campaign he was walking past an orchard with one of his colleagues, who drew his attention to two magnificent apple trees quite close to the fence underneath one of which were a large number of stones, brickbats and sticks, and he asked Sir John: "What accounts for all those things under that tree?" "Oh," said Sir John, "that is easily explained. The boys know the tree with the good apples on it." And my hon. friend from Frontenac knows that the hon. member for Marquette is our leader, and

that is why he hurls all his thunder at him.

Now, Mr. Speaker, I purpose to examine into the workings of this Government. I have read in the good old Book, "By their works ye shall know them"—my friend from North Cape Breton (Mr. McKenzie) will correct me if my quotation is not right.

Mr. CLARK (Red Deer): "By their fruits ye shall know them."

Mr. REID (Mackenzie): I have made the statement that this is a high-protectionist Government, a Government that is supported by high-protectionists, and in my humble way I am going to show that many of the Government's actions demonstrate this. Take, for instance, the personnel of the directorate of the Canadian National railways. Is organized labour or organized agriculture represented on that board? I am sorry to say it is not. One of the directors appeared before a committee of this House appointed to inquire into matters affecting the Canadian National railways and shipping. I shall not mention this gentleman's name; he is a Western man and a good business man for whom I have a great deal of respect. But the point I want to make is this: mistakes are liable to happen through not having on that board of directors a representative of labour and a representative of agriculture. Speaking before this committee, my good friend of whom I have spoken said that in his opinion passenger rates should be reduced because passenger travel was voluntary, while freight rates should not be reduced. Present freight rates are altogether too high—so high that grain cannot be produced in Western Canada to-day at a profit; in fact, the balance will be on the wrong side of the ledger. Prior to the war, in normal times, the rate per 100 pounds for bulk grain by the carload from my point of shipment, in Yorkton district to Fort William was 17 cents. Now, on 100 pounds; last fall I paid 30½ cents for the same quantity, very nearly double what it was before. Subsequently it dropped one cent, and it stands to-day 29½ cents. Then, take the rate from Saskatoon, a central point in Saskatchewan. The rate on 100 pounds of bulk grain from Saskatoon is 36½ cents, giving us a rate on wheat per bushel of 21.19 cents. From the Prince Albert district we find we have a charge per 100 pounds of 37½ cents, or, by the bushel, 22.50 cents. As you get further west the rate is prohibitive; from Calgary it is as high as 24.30 cents per bushel.

5 p.m.

About twelve years ago, I think it was, the Government of Saskatchewan appointed a royal commission to inquire into the cost of producing a bushel each of wheat, barley and oats. The commission travelled throughout the length and breadth of the province; farmers were asked to give figures as to the cost of production; and the average amount stated by old-time farmers as the cost of producing a bushel of wheat was 66 cents, and, in the case of oats, 26½ cents, over a period of ten years. I doubt very much whether we could produce wheat to-day at a cost of less than $1 a bushel, because since the time that the commission made its inquiry wages have gone up almost one hundred per cent and freight rates have nearly doubled. As to the cost of machinery the hon. member for Maple Creek gave the figures last night. We used to buy a seven-foot binder for $145 or $150; this year our binders have gone up 20 per cent above what they were last year, and they are now costing us over $300. Now, I am not speaking for the farmers alone. The condition in Western Canada is serious enough to make our Government sit up seven nights in the week, and even at that they would still have some thinking to do. The condition affects not only the agriculturists; it affects the merchants and business men. If the farmer cannot sell his products he cannot pay his debts, the merchant cannot pay his debts to the banks, and the banks cannot get their money. I believe I am well within the mark when I say that in some of the districts in Saskatchewan—some of its very best districts—more mortgages were put on farms last fall for the purpose of raising money to pay debts than were put on in any ten years prior to that time. It simply amounts to this: that Western Canada is getting very near to the verge of bankruptcy. In a word, Mr. Speaker we are living in the midst of plenty and we are starving to death.

Ever since the session of 1918 we have been promised a tariff revision, but session after session we have been put off with one excuse or another. Some of the reasons given, I admit, were quite reasonable, but they are not going to satisfy the people for all time. I have said that we were promised tariff revision. One hon. gentleman who was sitting with the Government not very long ago got tired of waiting for the fulfilment of this promise, so he came over to the cross benches. He was big enough to leave the Government because he saw no prospect of that promise being fulfilled.

Now, we have had a tariff commission; it has been referred to as a perambulating commission travelling from the Atlantic to the Pacific. I understand that they did their work well, but we have not heard a word as to what report they have submitted, nor has the House been informed, so far as I am aware, what was the cost to the people of Canada of this commission of inquiry. Surely the House is entitled to know at least what the results are and what the cost is going to be.

As to the intention of the Government to make a tariff revision, I have before me a booklet containing the report of a speech delivered by the right hon. Prime Minister (Mr. Meighen) in Montreal. It is somewhat lengthy; I wish to read only two extracts from it. He said on that occasion:

> To get money to pay as we go, new taxes have been imposed, and the principles we have followed are these: We have taken the broadest possible basis of taxation, aiming first to have all, or nearly all, contribute a little. Only in that way is it a possibility to obtain the volume of revenue required. But secondly, and more important: we have shifted the burden to the utmost extent on those most able to pay.

This statement, Mr. Speaker, was made before the sales tax was increased. We will find, and the people of Canada will find, that the sales tax is shifted not on those who are most able to pay, but very largely on those who are least able to pay. Here is another extract from the same speech:

> We maintain to-day a protective tariff by no means high, the lowest, indeed, in all these forty years. Under present circumstances the same general level as well as the same general principle should continue to apply. The schedules of our tariff need revision; they need revision to meet the altered conditions and currents of trade that thirteen years have brought about. That revision is due, and that revision by the most careful investigation we have prepared ourselves to make.

I think I am justified in claiming that there was in the mind of the Government, at least in that of the Prime Minister, that we were to have a tariff revision. This House should know what intervened between February 4, and the date at which the Budget was prepared. Something must have happened that the right hon. gentleman had to change his mind and postpone the tariff revision. Is it possible that it is put off for a purpose, that it will help to hold some more followers until a general election comes round? No doubt, another promise and another bait to keep a few more risky, shaky followers on the string.

The Prime Minister told us the other day that he was out in Western Canada last fall, and I am quite well aware that the right hon. gentleman was out in the West. I have in my hand an extract from the Saskatoon Star and my purpose in reading it is this. The Saskatoon Star is one of our leading dailies in Saskatchewan. It voices very largely the sentiments of the majority of the people in that province. It has a very large circulation; it is very widely read. This is from the Star:

> Mr. Drury classifies things much more accurately than Mr. Meighen; surprisingly so in view of his occupation. A farmer—one, that is, who foregathers with revolutionaries, seeks to wreck our good old British institutions and goes around with an axe looking for things to destroy—is not usually credited with being more logical than a trained lawyer and especially one so cogent and convincing in argument as Mr. Meighen.
>
> Yet Mr. Meighen came to the West, told the people how anxious he was to foster "industry" of all kinds, and said never a word about agriculture or how the agricultural industry would be fostered under "adequate protection." He was supremely unconscious that agriculture has any claim to be regarded as an industry, much less to be fostered by fiscal or any other provisions.
>
> Mr. Drury, on the other hand, says that "farming, like lumbering, is one of the country's natural industries." He sees very clearly what Mr. Meighen appears utterly incapable of grasping. He realizes that when a country neglects its natural industries in order to build up and expand artificial and exotic industries it is trying to build the pyramid on its apex. To abstract gradually the materials forming the base in order to enlarge the superstructure until the apex is underneath is to create an unnatural condition which produces its logical result when the whole edifice collapses in ruins.
>
> When our natural industries are established and organized on a proper basis the secondary industries will necessarily grow and expand. The structure will be a pyramid able to withstand the wear and tear of centuries; the more so since it will be a natural growth instead of the artificial product of a wasteful expenditure of economic strength and national energy.

I wish to show the attitude of the Prime Minister to the tariff question when he was not the right honourable Prime Minister, but a private member of the party to which he belongs and sitting in opposition. I will read an extract from the Grain Growers' Guide. I see my good friend across the way smiles. Who does not love the Grain Growers' Guide? It is a magnificent medium for information. I read from the Grain Growers' Guide of August 12, 1919. I have no quarrel with the Massey-Harris Company, but the name of the Massey-Harris Company is used here:

> The publication of the letter from the Massey-Harris Company two weeks ago has brought some further information to hand on the same subject. The Massey-Harris Company quoted Finance Minister White as saying that the cost of producing a binder at Brant-

ford was either $7 or $9 higher than the cost of producing the same binder in Chicago. In reply to this, we wish to quote Hon. Arthur Meighen, a colleague of Mr. White's in the Cabinet.

Mr. Meighen, when he was in the Opposition, was very strongly in favour of lower tariff on agricultural implements. In fact, on January 18, 1911, he delivered the ablest speech in favour of lower tariff on agricultural implements that has ever been delivered in the House of Commons. The following is an extract from his speech:

"Let me give you a few figures to show that the conditions of manufacture at the present time do not warrant a very material duty of any kind, particularly as respects the articles manufactured by the International Harvester Company, binders, mowers and reapers. I wish I could extend it more, but my proof extends to that, and I gathered my proof from what may be called the very camp of the enemy himself; I go to the officers of the International Harvester Company, and I take the very evidence of an official, Mr. Metcalfe, before the Committee of Ways and Means of the House of Representatives last year, and I think I will convince the House that there is very little, if any, difference in the cost of production of these machines on this side of the border and in the United States. At pages 7323-4 of the Tariff Hearings of the United States I read the following. Mr. Metcalfe was the representative there for the purpose of giving evidence on behalf of the International Harvester Company:

"'Mr. Cumpacker: Do you manufacture any cheaper in Canada than in the United States?

"'Mr. Metcalfe: They do not.

"'Mr. Cumpacker: As cheaply?

"'Mr. Metcalfe: Comparatively.

"'Mr. Cumpacker: Can you manufacture cheaper than the English manufacturer or the German manufacturer?

"'Mr. Metcalfe: I think they can, otherwise they could not compete with them in Germany and England.'

"So that Mr. Metcalfe is on record in admitting that there is comparatively no difference in the cost of manufacturing on the other side of the line and on this. He further admitted that the relative cost of manufacturing on this side of the line and in England and France is in favour of Canada, so that from that point of view there is little to be said in favour of an increase at all events in the duty on these agricultural implements. Mr. Metcalfe is further on record as stating, in the plainest language, that they produce in this country for export abroad, and it is only reasonable to argue that it is just as cheap to produce those articles on this side as on the other, as otherwise they would manufacture for foreign export on the other side and not on this, since they have factories on both."

I repeat that:

Mr. Metcalfe is further on record as stating, in the plainest language, that they produce in this country for export abroad, and it is only reasonable to argue that it is just as cheap to produce those articles on this side as on the other, as otherwise they would manufacture for foreign export on the other side and not on this, since they have factories on both. On page 738 of those tariff hearings, Mr. Metcalfe answered the chairman as follows:

[Mr. J. F. Reid.]

"The Chairman: The International Harvester Company has a plant at Hamilton, Ontario?

"Mr. Metcalfe: They have one there.

"The Chairman: Are you exporting from Canada?

"Mr. Metcalfe: They are.

"The Chairman: To what countries?

"Mr. Metcalfe: All the foreign countries and particularly to France. We are very much interested at the present time in the treaty between Canada and France.

"So that the proof is absolute that if there be any difference in the conditions of manufacturing between this side of the line and the other in relation to these articles, that difference is almost inappreciable."

It will be seen that Mr. Meighen gives the sworn evidence of one of the officials of the International Harvester Company to the effect that the cost of manufacture in Brantford is as low as it is in Chicago. This is better evidence than Mr. White produced in the House of Commons, and may be taken, as Mr. Meighen says, as absolute proof that there is no difference in the cost of manufacture of agricultural implements in Canada and the United States. It is equally safe to assume that the Massey-Harris Company can manufacture as cheaply in Toronto as the International Harvester in Hamilton, so that, from the standpoint of cost, there is absolutely no reason why there should be any tariff protection for agricultural implements in Canada.

It is quite evident that the thought in the mind of the right hon. the Prime Minister at that time was that there should be a downward revision of the tariff in agricultural implements. In fact, if my memory serves me correctly, when he was first elected for Portage la Prairie it was with the avowed intention that he would do all in his power to have agricultural implements placed on the free list. But the Prime Minister in office takes a different attitude. He is quoted as making the statement—and again I am speaking from memory—"The tariff never was oppressive on the agriculturist."

Mr. LALOR: Have not the duties on agricultural implements been reduced by the Prime Minister since that speech was made?

Mr. REID (Mackenzie): Very slightly, but they are not on the free list yet.

Mr. WHITE: Is it not a fact that the price of binders and mowers and every other agricultural implement has been nearly doubled, so that even with the reduction in duty we are now paying double the duty that we paid then?

Mr. REID (Mackenzie): Of course, in view of the advance in price of the machines the amount paid in duty is very much increased, in spite of any reduction in rate of duty. A duty of 12½ per cent on a machine costing $150 is equivalent to

a duty of 25 per cent on a machine costing only half that price. This all adds to the burden, and we know that it is the last straw that breaks the camel's back.

I wish now to continue further my argument in regard to the attitude of this Government towards the big interests as compared with their attitude towards the great consuming classes of Canada—the labouring classes, and the agricultural classes. Take the sugar episode. Consider for a minute what this Government tried to do to protect the sugar refiners in Canada from a loss on their manufactured article. The Government certainly endeavoured to come to their rescue, but public opinion was so strong against the order that it had to be countermanded, and I understand that that was done overnight.

Take the question of freight rates. A drastic advance was made in freight rates last year by the Board of Railway Commissioners. In my opinion that order of the board should have been at once countermanded by the Government. The Government had power to do that, and they should have exercised their power. The high freight rates are one of the reasons why the western farmers have not been able to dispose of their products at a reasonable profit.

Take the question of the personnel of the Grain Commission of Inquiry that has recently been appointed, and which is going to perambulate all through the Dominion, I presume, at a huge cost to the people. Is organized agriculture represented on that board? Is organized labour represented on that board? Not for one minute. These two great classes of people in our Dominion are entirely ignored by the Government.

Again, when the Minister of Finance was busy preparing his Budget, whom did he call in to advise with him? I saw an item in one of the Ottawa newspapers to the effect that the Wholesale Merchants' Association and the Retail Merchants' Association, and the Manufacturers' Association had been in conference with the Finance Minister as to what system of taxation should be imposed. Again I ask, was organized labour consulted? Was organized agriculture consulted? No, Sir, they were entirely ignored.

I have here a short extract from an Ontario paper which has come into my hands:

> The week's happenings have been distinguished by one or two developments of interest and importance. Whether the marking down by the U. S. Steel Corporation of its prices to levels on a par with the "Independents" will lead to a resumption of activity remains to be seen, but one significant development following the announcement is the decision of the International Harvester Company to make a 10 per cent reduction effective next year on products in which steel is the principal raw material. The reduction on steel came after one year's product had been provided for, it is explained by the company, and will have no bearing on the cost of machines sold this year. Implement manufacturers generally contend that no immediate price reduction is possible, owing to the fact that materials are bought a year in advance and the stocks now on hand have been purchased at a time when peak prices were prevailing.

I have every sympathy with our manufacturers in that respect. No doubt they must order their raw materials a year ahead. They say: We must have our price, or we shall lose money. They not only say that, but they say they must also raise the price of their manufactured product as high as 22 per cent for 1921 or they will lose money. I have reference now to the manufacturers of agricultural implements. To whom are they selling their goods? To the agriculturists, the farmers, the grain raisers principally, and what is it that they are doing? I have made it plain that the price of grain has dropped from the high peak. Wheat selling at one time, f.o.b. Calgary, at $3.25, is worth to-day, at the head of the lakes, about $1.75.

Mr. BRISTOL: It was $1.84 yesterday.

Mr. REID (Mackenzie): Thanks for the correction.

Mr. WHITE: It is $1.38 at Calgary now.

Mr. REID (Mackenzie): The hon. member who represents Victoria in the province of Alberta, will perhaps tell the House that he tried to sell oats by the carload, and with what result. I know that last year's crop of oats in northern Alberta was a first-class product; but what is it worth to-day to my hon. friend who represents Victoria? He inquired of a friend of his who runs a big pulp concern in northern Ontario to whom he thought he would ship some oats, as to what the freight rate would be, and my hon. friend was told that before he could sell his oats, shipping them to this point in northern Ontario, he would have to pay the freight part of the way and his friend would take the oats.

An hon. MEMBER: For nothing.

Mr. REID: For nothing. I made the statement that oats could not be produced to-day for 26½ cents. I do not think they

can be produced for 35 cents, and they are worth at the point of shipment from 10 to 15 cents, Fort William basis. Still, the manufacturers say that they buy their raw material at high prices and that therefore the producers must pay them the prices they demand. The manufacturer is in the happy position of being able to pass on his price, whatever he may charge, to the consumer; but the unfortunate and unhappy producer is between the upper and the nether millstones. He cannot pass on his costs, and he must take what is offered him for what he has to sell and pay the price demanded of him for what he wants to buy. It must appeal to hon. gentlemen, I think, that there is something wrong, and I repeat again that if present conditions are continued it will mean bankruptcy to Western Canada.

Now, let us look at the Budget for a moment. This Budget, Sir, I claim, has all the ear marks of the protectionist artificer. I have read that protection is a good thing, that it taxes the poor, who do not realize what it means and hence make no fuss. Now, I saw a little extract the other day in regard to protection, and I think it might be well to place on Hansard the gist of that statement. It was to the effect that protection always has to borrow some rags of respectability to cover its nakedness. I want my hon. friends to note that; it is a good thing to remember.

I claim, Mr. Speaker, that the sales tax as imposed in this Budget, is high protection in disguise. What will it cost the consumer? Will it be 4 per cent that the consumer will have to pay? I am told by business men who know what they are talking about that this sales tax of 4 per cent will be pyramided at least 2½ times before the consumer finally pays it. I have not figured this out, but I have no doubt that some hon. member on this side of the House will place the exact facts on Hansard as to just what this 4 per cent sales tax will amount to when it is paid by the consumer.

As I said before, the sales tax and the customs tax fall on the labouring classes and on those people in Canada who can least afford to bear them. Canada wants immigrants, and the people in Western Canada, who raise the largest families, the people who come from Europe, in a very short time adapt themselves to the country, and their children, born in Canada, after a while become just as good Canadians as any we have in this country. I therefore say that it is a cruel burden to heap upon these poor people this sales tax which is

an additional tariff tax. The average family to-day, if we calculate on the basis of this 4 per cent customs tax, will pay around $147.75 under this tax; they cannot avoid it. This tax will simply mean a restriction of consumption. The people will not be able to buy as much goods as they have been buying, because, when you take $147 from the labouring man's earnings, you do not leave him very much for his family, and the consequence will be that you will stunt and particularly starve the children of the poor. They will suffer cold and hunger to some extent, whole our good friends the textile manufacturers will reap a handsome profit by the 37½ per cent protection.

I understand that our Canadian manufacturers deny that they are benefited financially by a protective tariff. We, on the other hand, claim that while the Government receives $1 from the customs revenue tax, our good friends, the manufacturers, receive $3. If this is not correct, I am sure my good friends sitting opposite will show me that it is not so. If this protective tariff were necessary, if our manufacturers really required that tariff, I would be the last man in the Dominion to do anything to harm the manufacturers; but I am of the opinion, after what I have read, and the statements and arguments that have been made by one of the ablest debaters in the Dominion of Canada, the Prime Minister (Mr. Meighen), that our manufacturers could do with considerably less in the way of protection. If they do require a protective tariff I would suggest that we put on a countervailing excise tax. If there is a protective tariff of, say, 15 per cent, I would say, the Government must have two-thirds of this 15 per cent; and still the manufacturers would have protection. I think that is a fair proposition.

Now, I shall bring my remarks to a close, but I want to make one reference more to the tariff. In the Budget I notice the following, as will be seen at page 3228 of Hansard:

> materials for use only in the construction, equipment and repair of ships; ships licensed to engage in the Canadian coasting trade.

These materials are exempt from the 4 per cent sales tax. Now, I wonder why the Minister of Finance exempted materials for use in the construction, equipment and repair of ships licensed to engage in the coasting trade.

I am of the opinion that the operation of Canadian ships has yielded substantial re-

turns. Take, for instance, the Canada Steamship Lines; they made very handsome profits and paid very handsome dividends last year. I have here a newspaper clipping in which the President, Mr. Norcross, is reported as having made the statement that in the freight carrying trade on the inland waters, and more particularly in the carriage of grain, these ships have made a handsome profit, more than sufficient, in fact, to make up for some of the losses sustained on ocean freights on the Atlantic. I contend, Mr. Speaker, that this is another evidence that the present Government is a friend of the big interests, and that it is forgetting the needs of the great mass of the common people.

Mr. JAMES McISAAC (Kings, P.E.I.): Mr. Speaker, I desire to say a few words on the Budget. Few Budgets in this Parliament since Confederation have been anticipated with greater anxiety, inasmuch as we are passing through a transition period, a period of instability in commerce, of extravagance in buying, and of deflation. These, and a hundred and one other circumstances, have rendered the financial outlook and the trade conditions of our country very uncertain and such as to be regarded with some degree of uneasiness. Under the circumstances it is a source of extreme satisfaction that the Minister of Finance was able to give us such a favourable exposition of the trade conditions and financial position of Canada. I think, Sir, that the Finance Minister, as well as the country, deserves to be congratulated upon the excellent presentation that has been made. Our trade has been well sustained, and the expenditure and revenue have been brought together to an extent that is wonderful considering all the circumstances.

At Six o'clock the House took recess.

After Recess

The House resumed at Eight o'clock.

Mr. McISAAC: Just before recess I was referring to the Budget that had been presented to this House and country by the Minister of Finance, and I took occasion to observe that in my humble judgment it was an admirable presentation of our financial position. It was a business-like Budget—I should say, a model Budget, and so far as I have been able to observe, it has met with almost universal favour. Any comments concerning it in the public press have been for the most part favourable to it; very little adverse criticism has been offered. This is a matter of congratulation to the minister, to the Government, and to Canada as well, having regard to present conditions. All countries have been passing through a period of transition, a time of upheaval in commerce and dislocation of trade, a time of deflation and extravagance, a time of unfavourable financial, commercial and economic outlook. It is evident from the admirable statement rendered by the Finance Minister that Canada's position is an enviable one among the nations of the world; she stands second to no other country in the matter of her economic operations for the year that has passed. This is indeed a great tribute to Canada. Nations, like individuals, benefit by their youth. The blood of national youth courses through the arteries of our country. Canada has all the energy, all the ambition of youth, and we have firm ground for our faith in her great future.

According to the figures presented by the Finance Minister, Canada's trade for the past fiscal year exceeded that of the previous fiscal year by $125,000,000, in round figures, indicating a remarkable advance in trade in the face of unfavourable conditions. Our greatest trade is, of course, with the United States and Great Britain. The balance of trade as between Canada and the United States is against us; that is to say, we purchase more from the United States than we sell to them. That is an unfortunate condition of things, and one which it is difficult to overcome, though it is hoped that before very long it will be considerably improved. It would seem, however, that the legislation recently brought into effect in the United States is not favourable to that end. The Young Bill which has been passed by both Houses of Congress puts up against Canada as well as against other countries very strong barriers in the way of trade. It is to be presumed that this matter will be dealt with later by our Government and such action taken as is deemed expedient. Of course, that is a matter for the future. The balance of trade as against Canada for the last year and in favour of the United States amounted to $296,000,000. On the other hand, our trade with the Mother Country has been more favourable. The balance of trade in our favour in respect of our trade with Great Britain in the fiscal year 1919-20 amounted to $369,000,000, in round figures. The balance has since shown a tendency to swing against us, but that con-

dition may adjust itself. The trade balance in our favour in respect of trade with the Mother Country for the last year was reduced to $100,295,402, according to the figures of the Minister of Finance. Our total foreign trade per capita during the calendar year 1920 was $293.30 as against a per capita trade on the part of the United States of $127.78. In connection with our trade relations with the Mother Country, it is worth while noting that according to press despatches the Government of Great Britain are taking steps which indicate a wide departure from the policy of free trade. A Bill has been introduced in the British House of Commons—it may be passed by this time—placing a high preferential tariff on the key industries of the country. If that Bill becomes law, certainly a great step will have been taken by Great Britain in the direction of a protective tariff.

Now, Mr. Speaker, I wish to say just a word or two with reference to the financial position of our country. The figures disclosed in the financial statement of the minister show that the revenue for the fiscal year ended March 31, 1921, amounted to $432,000,000 as against $349,746,334 for the year 1920. The estimated expenditure for 1920-21 amounts to $533,368,077. Let me say a word regarding how the money raised was spent and the condition of the balance sheet when the revenues and expenditures had been compared and the bills for the year had been paid. Let us see what a favourable showing was presented to the House in the annual statement of the Minister of Finance. As I have just said, it is shown in the financial statement that the revenues amounted to approximately $432,000,000. Expenditures on consolidated fund, that is to say, current expenditures, strictly speaking, for the operations of the fiscal year, amounted to $362,600,000; but in addition to this amount, there was a capital expenditure of $36,972,000 and an expenditure on demobilization of $20,130,000, making a total payment under the head of expenditure chargeable to consolidated fund of $419,702,000. This presents to us a satisfactory condition of the revenue as compared with the expenditure, showing that after payments made strictly speaking on consolidated fund or ordinary expenditures were met, there was left a balance of $69,400,000. Moreover, after those two items, that is the capital expenditure of $36,972,000 and the demobilization expenditure of $20,130,000, to which I have referred, were paid, there was left, over and above all these payments, a balance of $12,298,000.

In the ordinary language, the authorized language that has been invariably used in connection with our financial operations in Canada since Confederation, this amount of $12,298,000 is a surplus. That is how all these balances have been denominated or described by every Government that has existed in Canada since Confederation. It may be said that there were capital expenditures that would very much exceed that balance. Such has nearly always been the case. There are not many years; indeed, there are very few, when there has been an actual surplus; but in the language of finance used in this conection all down through Canadian history, this amount may be and is properly called a surplus. Therefore, there is no reason this year why we should depart from the usual language and call this amount by any other name.

Another exceedingly gratifying feature in connection with our finances for the year that has passed has been presented to us by the Minister of Finance, and that is that out of available cash at their disposal, the Government have acquired tax exempt bonds aggregating $89,288,300. These are bonds which were issued by the Government to the people and on which money was secured to carry on the war and other necessary expenditures. Bonds to that amount have been taken off the market; they have been bought in by the Government with the cash at their disposal, and they will be cancelled. Thus, there will be that amount removed from the debt of Canada. That is a very fine condition of affairs, and it is highly to the credit of the Government, that, at this stage, so early in the life-time of these bonds, the Government have been able to take off the market and cancel so many of these promises to pay that, in the ordinary course, would stand against the Government until the term of the bonds expired. No doubt from year to year, as the Government will find that they have cash at their disposal, they will continue this method of reducing the financial obligations of Canada by acquiring a number of these bonds, removing them from the market and cancelling them, so that they will no longer form part of the debt of this country.

Another feature that has been presented in the fiscal statement of the Minister of Finance, is, I think, worthy of consideration, inasmuch as it shows what part of the debt created by the war, which, of

course, was a debt that was unavoidable and to which no estimated bounds could be placed, has been taken care of out of the current revenues of the country from 1914 up to the present time. This statement is to be found in the Budget presented by the Minister of Finance—and it is important to note it—that notwithstanding the largely increased cost of government, apart altogether from the war—and the expenses of the Government were much increased during these years—the country's war activities have been financed to a certain extent out of current revenue. The net result of financial operations in this country from 1914-15 up to and including 1920-21, a period of six years, shows that war obligations, current and capital, have been met and paid to the extent of $698,809,700. That, I think, is a most gratifying feature of our present financial operations. It is one that, perhaps, we would not be disposed to take very much note of; but it is one deserving of the greatest possible consideration; it is one that shows how carefully our finances have been guarded; how carefully every phase of our public business and fiscal operations have been taken care of by the Government and the Minister of Finance.

With regard to the financial operations of last year, no new loans have been issued, and I think that is a matter for congratulation. I think it is also a matter for congratulation that in view of the world-wide trade conditions Canada has come through this trying period with a better showing than most other countries. Our position in comparison with other countries of the world is really an enviable one.

Turning to the current year upon which we have just entered, the uncertainty is no doubt greater even than last year, especially as to the revenues of the country. There are many reasons for this. In the first place, the Finance Minister finds it very difficult accurately to forecast what the probable revenues may be. This uncertainty is due to several causes. He feels satisfied, however, that the revenue from customs taxation will be somewhat diminished. Again, we have to take into account the tariff legislation which has just been passed by the United States. It is difficult to see just what the future holds in store in that direction; there may be some further legislation in this Parliament which may ameliorate present conditions, but so far as we can size up the present situation a diminished customs revenue is expected, and we have the Young Tariff Bill imposed against us as well as other countries by the United States; so the situation this year presents considerable difficulty for the Finance Minister.

From ordinary sources the Finance Minister expects to raise, unless all signs fail, a minimum of $373,600,000. The Main Estimates for the year have already been tabled; there may be, however, some Supplementary Estimates brought down. Altogether, the Finance Minister calculates that a total revenue should be raised this year of at least $435,360,971. The outlook, it must be confessed, is not the most encouraging, but I am satisfied that from the taxes which the Finance Minister is imposing, together with the revenue we expect to derive from one or two other sources, we shall raise sufficient to enable us to make up the difference between our expenditure and our ordinary revenue.

There is, for instance, the new sales tax. There is no doubt at all that the revenue from that will be very much increased this year over last. Then there is the increase in the liquor duties, from $5 to $10 per gallon. Probably we shall not have any liquor in Canada at all now, because there is prohibition in nearly all of the provinces. However, if any liquor is obtainable, those who drink will have to pay the price, and I suppose that is only right. Most people will agree that liquor is a luxury, and the man who wishes to indulge in that luxury must be prepared to pay the tax. I imagine only the wealthy will be able to indulge in this luxury in view of this new taxation. I think from these two sources alone the Finance Minister will be able to derive quite a large amount of money.

I do not wish to say very much about the income tax, as that has already been referred to by a great many other speakers in this debate. It is noticeable, however, that the revenue derived from income taxation last year was very much in excess of the amount received in previous years, and I have no doubt that there will be a still further increase this year. Some criticism has been offered as to the form in which the returns have to be made out. It is said that it is a little difficult for the ordinary man to make out an income tax return. That may be so. The Minister of Finance will no doubt be able to remedy that, and I understand that he intends to do so. So far as I am concerned, I have always been able to make out my return for the little amount I have to pay to the

treasury, and I think most ordinary mortals with a little assistance are able to make out a return in a manner that will be understood by the officials of the department.

There is another source of revenue. We have a credit with Great Britain of $150,000,000. That is the amount they owe us, and it is possible that within the coming year some portion of that may find its way into the Dominion treasury. I think from these three sources alone we shall derive a sufficient amount to enable the Finance Minister to meet the expenditures of the country, and perhaps leave a surplus over at the end of the present fiscal year. I appreciate the fact that mere figures are not very interesting, but in a Budget debate one can hardly avoid dealing with figures to some extent.

However, I shall now take up another phase of the Budget which I shall endeavour, if possible, to render somewhat more interesting. The tariff is a subject that is very much discussed at the present time, and a good deal of fault has been found with the Government by our friends opposite because no general revision of the tariff is contemplated immediately. There are many reasons why a tariff revision at this juncture would be inopportune. I have already referred to the adverse legislation which is about to become operative in the United States and which may necessitate very radical and far-reaching changes in our present fiscal arrangement in order that we may properly protect Canada's interests from the injurious forces of the Act which is going through Congress at Washington. Under the circumstances, every one who gives any thought to the subject must concede that it is only the part of wisdom that the Canadian Government should be circumspect at the present time and make no great changes in our tariff until we know how the adverse legislation of the United States will affect us in every respect. I do not intend to say very much more on that question, but I think that the tariff which we shall have in this country, after the United States tariff becomes operative, should be framed in such a way as to protect Canadian interests as far as possible. Of our total imports last year, amounting to a sum very considerably over $1,000,000,000, there came from the United States goods valued at $856,000,000 odd, or 69 per cent of our whole import trade. That fact in itself constitutes a sufficient reason why we should be very deliberate and careful in any changes we make to our tariff; we must of necessity, in our own interests, wait until we see how the adverse legislation at Washington is going to affect us. Although no extensive revision of the tariff is being made, however, there are some changes, due to one cause or another, particularly in respect of the trade agreement with the West Indies which was recently ratified by both Houses.

In reference to the subject of taxation, the principal changes are the abolition of the business profits war tax, the removal of the so-called luxury tax, and the increase in the rate of the sales tax, matters which will come up for consideration when the House is in Committee of Ways and Means. I think, Mr. Speaker, that is all I shall say on the subject of expenditure and taxation.

I might properly refer, before going further, to some of the statements that have been made, and the attitude that has been assumed in this debate, by our friends on the Opposition side. The hon. member for Shelburne and Queen's (Mr. Fielding), a former Minister of Finance, has voiced some rather strong free trade sentiments. Now, as everyone is perfectly aware, our Opposition friends have not been very consistent on the important question of the tariff. From time to time, while in Opposition, they have strongly advocated free trade, but while in office they were unquestionably protectionist. Throughout the fifteen years the hon. member for Shelburne and Queen's was Minister of Finance he was a consistent protectionist; he presented to the House every year a protectionist budget. He made no essential change in the tariff which the National party had had in force up to the time his Government took office. While hon. gentlemen opposite were in office they had a protective tariff amounting to an average of nearly 27 per cent; at the present time, this Government, whom they are pleased to describe as high protectionists, are carrying on the public affairs under a tariff which is about 5 per cent less than that,—a trifle over 22 per cent. In the face of that, how can hon. gentlemen opposite talk free trade? A year ago, when the hon. member for Shelburne and Queen's was discussing the budget, he was inclined to the view that free trade was not practicable; that there was no such thing as free trade. I shall quote his words in a moment or two, and endeavour to show the contrast between his opinions then and those which he expresses now. Last year he did not seem anxious to fraternize with

his friends to the left of him, the Agrarians; he rather gave them the cold shoulder. This year, however, it would appear, he is disposed to get closer to them, or have them draw closer to him. He evidently wants the two sides to coalesce and work together. Well, as a matter of fact, that is just what they are doing, conceal it as they may, endeavour to hide it as they will. Their object is to impede the Government, no matter what their assumed attitude may seem to be. One member on the other side gets up and utters some protective views, and another talks free trade. It is a drama; they are all actors, and each member of the dramatis personae has his own little part to perform. But the tout ensemble is a campaign against the Government. What is the drama they are acting? A tangled web of political deception. Their object is to deceive the people with the ultimate end in view of getting into power. They want to throw dust in the eyes of the people; they are trying to pull the wool over their eyes. While they are ostensibly preaching free trade for the benefit of the public, they go round secretly and whisper confidentially into the ears of their friends, the manufacturers, that everything, from their viewpoint, is safe and sound. They tell these people: "Don't be afraid of us. You know we did nothing to you before. Don't mind our talking this way about free trade; you know it means nothing. Let us say this and that about free trade for the sake of effect; you know what we will do when we get in." That is the way they have been acting, Mr. Speaker, and in order that I may be able to convict them I shall quote from Hansard. I desire to read from the statements of the hon. member for Shelburne and Queen's, quoting Hansard.

I will now read from Hansard of 1920 to show what the hon. gentleman's views were last year and I will then contrast these views with what the hon. gentleman has stated during the present debate.

An hon. MEMBER: Louder.

Mr. McISAAC: Let my hon. friends opposite prick up their ears. If they want me to read loud I will read it so sonorously that it will be heard from one end of this country to the other. My hon. friends need not be alarmed, I will read it loud enough for them. At page 2503 of the Hansard of May 18, 1920, the hon. gentleman is reported as follows:

> While it is true that at all times for many years all our tariff discussions have been more or less tinged with the question of free trade, there has of late been a revival of what I may call the free trade movement, and the free trade question is now thrust to the front of our tariff discussions in a larger way than it has been in recent years. That, I take it for granted, is because our farmer friends—

Now listen to this:

> Our farmer friends attach so much importance to the matter and have pushed it into their platform.

This is how he treated them last year:

> With all due respect to them, I take the view that free trade is not a practical question in our tariff discussions of to-day.

He went on to say:

> There are some things that we would do well to remember. In the first place, it may be well simply to remember that there never has been in the Dominion of Canada such a thing as free trade. There is not anything of the kind now, and with all due respect to those who may be described as extreme free traders, I think it is no wild guess to assert that there will be no absolute free trade in Canada within the life time of any man who sits in this House to-day. It is not practicable—

I would like to know what it is that induced the hon. member to change his views since last year. In order to show the nature of that change I will read a quotation from the hon. member's speech on May 10, inst. I do so in order that hon. gentlemen may see for themselves that it is quite a change—

Some hon. MEMBERS: Hear, hear.

Mr. McISAAC: I am glad my hon. friends opposite like it so well. It is a matter of deception, it is only a little change in the way of putting the question before the people. The hon. member for Shelburne and Queen's said on May 10, inst:

> If there are any people in Canada who are contemplating the establishment of new lines of business in which they feel that tariff protection is necessary, I do them a friendly service when I say: "Don't do it"—

He is dead against any protection this year, but he was rather inclined towards it a year ago.

> —because anybody who counts upon the continuance of a protective policy is bound to find that he is pursuing a delusion. If any outside capitalist purposes coming to Canada to start some industry which he believes can only be kept alive by protection, again, I advise him not to come.

What does this mean? If we take this statement at its face value the ex-Minister of Finance of Canada gives his country a black eye because he says: If there is anybody coming here with the hope that he may have a chance of advancing, progressing and building up a business under the present tariff, let him stay away;

we do not want anybody to come. In effect he declares: The country should be ostracized so that nobody will come here. Such is the patriotic sentiment expressed by this hon. gentleman.

Some hon. MEMBERS: Hear, hear.

Mr. LALOR: It is the members of the Farmers' party that are applauding.

Mr. McISAAC: If that is so I am glad to know where they stand. Now let me read what was said by another hon. gentleman in the ranks of the official Opposition. I wish to do so in order to corroborate the statement I made a moment ago that it does not matter just what they say here in Parliament; they understand one another; they are acting a part; they are all actors in this little agreement to deceive the people, and practise political deception in order that they may possibly gain some political advantage therefrom.

Some hon. MEMBERS: Oh, oh.

Mr. McISAAC: I am pleased to know that this exposure is so pleasing to my hon. friends opposite. It may not be so amusing when they come to the realization of what this deception means. The hon. member for North Cape Breton and Victoria (Mr. McKenzie) also spoke upon the tariff question. He is one of the front benchers on the Opposition side.

An hon. MEMBER: He is the ex-leader.

Mr. McISAAC: Yes, he is an ex-leader. He was a temporary leader but he is now ex-temporary leader. He was what they call a locum tenens. That is, he was holding the place of a leader; he is now an ex-locum tenens of a leader. When it comes to the matter of coal and steel, products peculiar to his own province, my hon. friend is a protectionist; he does not deny it, and he says:

I say—

Speaking of coal.

—give a little higher price; let the officers and the experts of the Government in connection with coal fix what that price should be within fair limits, and let the preference be given to Canadian coal as against the coal and steel of foreigners who have a bigger market, bigger capital and bigger production than we have.

He goes on to say:

I take that position and I think it can be very well maintained. Although our coal may be a few cents higher in price, when you consider that our railroads will be carrying our own goods, and that directly and indirectly it is to the advantage of our own people that the Government and the Government railways should use our own coal, it will pay the Government to give the preference to the product of their own country.

A little further on he says:

But if they buy coal from a Canadian, he gets the money and it goes from one hand to another, building up the trade and industry of the country and supporting the families of the Canadian people.

That is good protectionist doctrine. I do not know just exactly how he is going to vote on the amendment.

There is another protectionist in the group whom I should like to quote, the hon. member for Maisonneuve (Mr. Lemieux) —Maisonneuve and Gaspé I think is the proper title. In the course of his speech denouncing the Government he made this remark:

Standing as I do for a moderate measure of protection, mind you, for a reasonable measure of protection, nevertheless I cannot help saying that I regret that free trade is not the trade policy of the civilized world.

There may be others as well as he who entertain similar regrets. But he says that he is a moderate protectionist. So then we have straight protectionists, moderate protectionists, free traders, and all the rest of them in this drama.

There is another protectionist on the other side whom I wish to quote briefly—the hon. member for Qu'Appelle (Mr. Thomson). He is the last man in the world one would expect to be a protectionist. Indeed I do not believe he is a protectionist, but in the course of his speech on Thursday he said something about protectionists. He said something that reflects upon every hon. gentleman of the official Opposition who was either a supporter or a member of the Liberal Government during the fifteen years they were in power, The hon. member from Qu'Appelle coolly gets up in this House and berates and condemns the system which that Government carried on during what they are pleased to call the "Golden Age." Of course, there can be no doubt that the hon. member supported that system, but what does he say? At page 3418 of Hansard of May 12 the following passage will be found:

The protective policy begets fear, cowardice and selfishness. The fear that they cannot compete with others is one of the most degrading things to which any people can be exposed.

Some hon. MEMBERS: Hear, hear.

Mr. McISAAC: The Farmers applaud that statement because they are opportunists. But this is a condemnation of every hon.

gentleman of the official Opposition, and I observe there is no applause from that quarter. They say they had a golden age for fifteen years. Well, whether it was a golden age, a silver age or a bronze age, it was an age when a higher protective tariff was in force than we have now. And yet they call that the golden age of Canada's prosperity.

An hon. MEMBER: The stone age.

Mr. McISAAC: It simply goes to prove that protection is the only tariff system under which Canada can live and thrive. Every hon. member on the other side of the House knows that and practises it when his party is in power, but in opposition it is convenient for hon. gentlemen opposite to shout free trade.

Before I deal with the amendment I wish to refer to the hon. member for Brome (Mr. McMaster), and I am sorry he is not in his seat. Last year there seemed to be some antagonism between him and the hon. member for Shelburne and Queen's. As we all know, the hon. member for Brome proclaimed himself to be a simon-pure, unadulterated and anti-purgatorial free trader. So I suppose when the hon. member for Shelburne and Queen's was drafting his amendment he thought it advisable to effect a reconciliation between the political Pilate and the political Herod. But the contribution of the hon. member for Brome to the discussion did not add dignity to the debating style of this House. His contribution was not so much to determine whether this country should have free trade or protection, but took the form of producing and reading imaginary letters that were intended to have some ulterior political effect at a later day. I should like to know by what process of reasoning the hon. member lays the flattering unction to his soul that he has the right to constitute himself the censor of political morals or the arbiter of the conduct of ministers of the Crown. What legislation has he placed on the statute books to entitle him to assume such an outstanding and altogether unusual position among hon. members? What services did he offer to his country when she was struggling in the great war that would entitle him to arrogate to himself such precedence? I wish the hon. member was in his seat that I might say a great deal more to him. In my view his conduct was beneath contempt, and I take this occasion to condemn it in the strongest words of which I am capable.

Now I come to the amendment, which is in this form:

That all the words after the word "that, to the end of the question, be omitted, and the following inserted instead thereof:

An hon. MEMBER: Dispense.

Mr. McISAAC: I know why the hon. gentlemen exclaims "dispense": he is ashamed of this amendment.

Some hon. MEMBERS: Oh, oh.

Mr. McISAAC: Yes, ashamed of it. But to proceed with the amendment:

The House regrets that, after repeated assurances by the Government of an intention to have a revision of the Customs tariff, and after a protracted inquiry extending from ocean to ocean by a committee of cabinet ministers, the Government have made no proposals for any reduction of the tariff;

That, while recognizing that existing financial requirements of the Dominion demand the maintenance of a Customs tariff, the House is unable to concur in the declarations by the Government that the tariff should be based on the principle of protection; the tariff is a tax, and the aim of legislation should be to make taxation as light as circumstances will permit;

That the aim of the fiscal policy of Canada should be the encouragement of industries based on the natural resources of the country, the development of which may reasonably be expected to create healthy enterprises giving promise of enduring success;

That such changes should be made in the Customs duties as may be expected to reduce the cost of living, and to reduce also the cost of implements of production required for the efficient development of the natural resources of the Dominion;

That, while keeping this aim clearly in mind, the House recognizes that in any readjustment of the tariff that may take place, regard must be had to existing conditions of trade, and changes made in such a manner as will cause the least possible disturbance of business.

That the House, while recognizing that the obligations arising from the war must be met, and declaring its readiness to make all necessary provision for that purpose, regrets that the financial proposals of the Government are not made with due regard to the economy that is so urgently needed, and expresses the opinion that, before resorting to new taxation, the Government should make a substantial reduction in the proposed expenditure.

Now, Mr. Speaker, it would be difficult for anyone to extract any meaning out of that amendment. It does not embody the platform of the Liberal party as adopted by them in 1919. It does not embody the platform of their friends the Agrarians, whom they are so anxious to get into the same boat with themselves. It does not embody the platform of any party, any person, or anything under the sun. It is the most marvellous hodge-podge that anyone could conceive; it means nothing and is intended to mean nothing. But any member of either of these parties who votes for this amendment will be able to carry it in his pocket and go about the country

saying: I am in favour of this clause, or I am in favour of that clause, and so on—a matter of deceiving the people through and through. But that does not surprise us, because it is part of the tactics of the Opposition.

I do not wish, Mr. Speaker, to detain the House much longer.

Some hon. MEMBERS: Hear, hear.

Some hon. MEMBERS: Go on.

Mr. McISAAC: Our friends opposite are very hilarious. I am of the opinion, however that the hilarity is merely on the surface and that they are not enjoying themselves quite as much as they pretend. Perhaps they realize that the truth is coming home to them in a very homely but very pointed way, and I am sure they would gladly be relieved of the tension. I shall not, therefore, keep hon. gentlemen any longer in suspense; I know they are anxious to get relief, so I shall be generous to them in that respect. I thank you, Mr. Speaker and hon. members of the House for the attention which has been given to my remarks.

Mr. W. C. KENNEDY (North Essex): Mr. Speaker, congratulations have been extended to my hon. friend the Minister of Finance (Sir Henry Drayton) by the gentlemen who have preceded me in this debate. Some hon. gentlemen have congratulated him upon the very able manner in which he has administered the affairs of his department, others upon the very clear and lucid financial statement which he has presented. But I desire to congratulate the hon. gentleman upon his courage, because I believe it takes real courage for a minister to stand up and read to the House and to the country a statement showing that the result of the year's financial operations is a deficit of $101,000,000 and that to-day the annual net debt of the country is $2,350,000,000. Apparently, Mr. Speaker, the only remedy my hon. friend has to propose for the difficulty involved in the ever-increasing load of interest on indebtedness is taxation and more taxation. The statement was no very great surprise to me, Sir. It was a statement not only in respect of the year immediately closed, but also of the years immediately preceding it, a statement which disclosed what we knew to be the case: that in years immediately gone by there had been recklessness and indiscriminate borrowings and expenditure that was gross and extravagant to a degree.

I believe that the duties of a Minister of Finance are threefold: to think out means of raising revenue, to exact taxation, and to see that his confreres exercise care in the expenditure of public money. I can say without fear of contradiction that no man could sit and listen to the Estimates that have gone through this House without being struck by the fact that millions of dollars were being voted for expenditures which, in view of the financial condition of the country, could very well have been dispensed with. I am glad to see the Minister of Militia (Mr. Guthrie) in his place tonight. I had the pleasure of listening the other afternoon to his explanation of the votes that had been passed on account of his department, and it struck me that his explanation was very far afield. Surely, Sir, in view of the fact that we are just emerging from a world war, with all the expenses incidental thereto—pensions, allowances, soldier's settlement, and so on—we could have cut down our military expenditures this year. I have the greatest admiration for the militia of this country. I know what our militiamen have done and how valuable they are to us; I know that there are men in the militia who have given their time and their energy to making the militia what it has been and what it is. But notwithstanding that, Sir, I have no hesitation in saying that we could very well have dispensed this year with the annual drill, involving an expenditure of $1,500,000. There was no suggestion that if we did not send the militia out for their annual drill we would have to send the returned men. There was no occasion for the heroics indulged in by the Minister of Militia with regard to the deeds of our men across the sea; we realize and appreciate that as much as he does. Nor was there any occasion for flag-waving in that connection. And just here I want to say this to my hon. friend the Minister of Militia: personally I have the greatest regard andrespect for a good old-line Tory:—there is one thing about him; you always know where to find him. But I am ashamed of the Tories in this House—ashamed of them that they should sit still and allow so recent a recruit as the Minister of Militia to give such an exhibition of flag-waving and to leave them so far behind in that respect.

Mr. LALOR: We are proud of him over here.

Mr. KENNEDY (Essex): Well, the minister has nothing on my hon. friend, because he is at it all the time. Now, if the question of this annual drill were left to the men composing the militia; if it had been pointed out to them that the expenditure involved, $1,500,000, was to come by way of taxation out of the pockets of the people of this country and that the returned men would have to pay their share of it in the shoes and clothing they wore and in the food they ate, then, Sir, I believe that the militiamen themselves would be the first to say: We will dispense with the annual drill; we do not want to add further burdens to those already borne by the returned men. If my hon. friend had been so solicitous about the returned men—and I do not gainsay that he is sincere in his statement—it would have been more to the point had be dispensed with this proposed expenditure of $1,500,000, and handed the money over to the returned men who are to-day out of employment and whose families are in need of help.

Further, I believe that there might well have been some reduction in the appropriation of $6,250,000 in connection with the Permanent Force. It is true that we have a Permanent Force of 3,800 men, but it seems to me that the expenditure in connection with that force is out of all proportion to the number of men. I appreciate the fact that there is a headquarters staff to be kept up and that that is, perhaps, expensive; but at a time like this, we might readily have dispensed with some of the headquarters staff. It came out during the discussion of the Estimates that we have in this country at the present time 19 generals and, I think, 42 colonels and lieutenant-colonels on the pay-roll. I realize that these men are engagd in connection with, not only the Permanent Force, but the militia, but we could do without so many generals in Canada. There must be ten or twelve generals on the headquarters staff at Ottawa and, perhaps, one-half of them could be dispensed with, without any real loss to the militia, to the Permanent Force or to the people of Canada. Such action may be hard on the Minister of Militia, who seems to have an eye for generals; but the country could stand the reduction, and it would be a move in the right direction.

There is another matter about which I want to say just a word or two. The subject has been thoroughly discussed, perhaps over-discussed in some respects in this House, but nevertheless I feel that I should say a word with reference to it. I refer to the mercantile marine. I regret exceedingly that the Minister of Marine and Fisheries (Mr. Ballantyne) is not in the chamber, because I should like to have had an opportunity of saying to him personally what I propose to say. The hon. gentleman has stated in this House on more than one occasion during this session that the vote was practically unanimous in favour of the appropriation of $20,000,000 last year; that there was very little opposition to it in the House. When that vote was before the House last year, I did not hesitate to rise in my place and oppose it. I opposed it because I did not believe that it was good business; that it was in the interest of the country, or that we were justified in expending any more money for ships during 1920. Notwithstanding the advice given by men in this House who are in the shipping business, the Minister of Marine and Fisheries went ahead and laid the keels for new boats, and in addition to that he incurred further expenditure. On March 23, 1920, when this proposed appropriation of $20,000,000 was under discussion in the House, I made these observations. The minister had presented his statement, and in discussing that statement, I said:

> I believe the statement by the hon. gentleman showed that we were making money out of the steamship business but I think he will agree with me that conditions are abnormal. He cannot expect that freights will continue where they are to-day. He knows, and nobody knows better than he, that it is only a matter of a short time until freights will decrease in volume; there will not be so many cargoes to carry, some of the ships will probably have difficulty in securing business, and we will consequently operate at a loss.

Further along, I said to the minister:

> The hon. the Minister of Marine would not put his own money into a prospect if he thought that it would be unsuccessful with a possible loss within a few years; and if that is the case why should he put the money of the people into this enterprise now?

I opposed the appropriation then; I said that it was a poor business investment for the people of this country, and I say so to-day. I regret exceedingly that the Minister of Marine and Fisheries brought into the House the statement he did. That statement rather surprised me. The minister stated that our profits in connection with the mercantile marine during the year were $770,000 odd; but when you analyze that statement, you find he allowed only 2 per cent for depreciation on the ships. Any man in the shipping business, I do not care who he is or on what side of the House he may be, will tell

you that in any well-regulated, well-managed shipping concern, an allowance of 5 per cent per annum is made for depreciation. In addition to that, not a five cent piece was allowed for interest on the $50,000,000 borrowed to be put into the enterprise, and further, no depreciation was allowed for the liquid assets. I do not believe this was a fair statement to present, nor that the minister should have presented such a statement to the House, because, as a matter of fact, it was a reflection upon the intelligence of hon. members and, indeed, upon the intelligence of the people of Canada. If the Minister of Marine and Fisheries will give us a fair and clear financial statement of the operation of his vessels for the incoming year, he will find that, allowing 5 per cent for depreciation on the boats, allowing interest on borrowed capital, allowing for depreciation of the liquid assets, we will not operate the mercantile marine for this year without a loss of $6,000,000. I have no hesitation in going on record on that to-night. A sum of $6.000,000 may not mean much to hon. gentlemen opposite who have got into the habit of speaking of hundreds of milions; but it represents 6 per cent on $100,000,000, which might easily be taken as being added to our national debt. Moreover, the Government cannot escape responsibility in connection with the action of the Department of Marine and Fisheries; they are equally responsible with the minister; they cannot permit a minister, no matter what department he presides over, to engage in a hazardous enterprise without assuming the responsibility. For months and months, and indeed for years to come, the people of this country will be paying interest for the folly of the Minister of Marine and Fisheries.

In the course of the session which is now drawing to a close, we have had many interesting discussions in this House; but there was, perhaps, none that attracted more attention throughout the country and that was of more interest to the people of Canada than the discussion with reference to the railways. I should like to say just a word or two in connection with the railway situation. Much has been said with reference to the failure of public ownership. We know that the Canadian Pacific, assuming, perhaps naturally, that the people are dissatisfied with the conditions that obtain to-day, made an offer. We know further that to-day there is a committee of this House dealing with the railway problem. My hope is that they will find some way out of our difficulties; but in the meantime, I personally do not see how this affects the question of public ownership one way or the other. I do not propose to-night to discuss the merits of public versus private ownership, but if public ownership is ever to be a success, it must have back of it the confidence of the people of the country.

I say that so far as the men at the head of the government railways are concerned, and so far as the question of political interference by this Government with the directorate is concerned, these men have not the confidence of the people. I say this advisedly, because I believe that when the Government took over the Canadian Northern, and amalgamated the different systems, they made a grievous mistake, so far as obtaining the confidence of the public is concerned, when they appointed Mr. D. B. Hanna president of the National railways. It is true that the Minister of Railways (Mr. J. D. Reid) has said that Mr. Hanna is a first-class railway operator and a first-class railway man in every respect. That may be so; I hope it is; but for one who is an expert operator, for one who knows his business thoroughly, Mr. Hanna has been singularly unfortunate in the roads he has been connected with. As a matter of fact, those who gave the matter any thought at all said, when Mr. D. B. Hanna came in as president and general manager of the National Railway system; it is the old Canadian Northern crowd again, and the only difference is that they will be dictating the policy, and the Government will be paying the bills. That was the thought of the public. It was impossible to disassociate in the public mind Mr. Hanna from the Canadian Northern, and he must of necessity accept the responsibility for his twenty years association with that road.

Anybody who knows the history of the Canadian Northern knows that the men who were the alleged owners of the road never attempted or even thought of making money out of the operation of the road. That was too slow a method. Their money was to be made out of the building of the road. They were railroad builders, not railroad operators. From one end of the country to the other where the Canadian Northern was built and operated, there were subsidiary companies, and these subsidiary companies did not leave much of the parent company when it was turned over to the Government. As I said before, if the Government want to make

a success of the National railways, the very first thing they must do, in my opinion, is to place a man in charge who will have the confidence of the public, and I have no hesitation in saying that Mr. Hanna, irrespective of whatever ability he may possess, does not and will not have the confidence of the public on account of his past associations.

The Minister of Railways has asked for suggestions from the House. I give him mine for what they are worth. I have no doubt at all that he will not accept them, but that does not matter. Early this session I asked a question of the Government with reference to the directors of the Canadian Government railways. I took the position that the responsibility of appointing the directors was the Government's. Here were men to whom we were turning over every year approximately $200,000,000 of the people's money to expend. The very first thing the Government should have seen to was that the men who occupied these responsible positions, if they were real directors, not dummy directors, were competent responsible men who were not tied up to or allied with any other interest that might conflict with that of the railway. Having that in mind, I asked the following questions of the Government, which will be found in Hansard of March 21, 1921:

1. What are the names of the gentlemen who compose the Board of Management of the Canadian National Railways?
2. What is the salary of each, and what amount did each receive as expenses during the past year?
3. Are any of these gentlemen also directors of joint stock companies doing business in Canada?
4. If so, of what company or companies are they respectively directors?

Hon. Mr. Reid, (Grenville):

1. D. B. Hanna, A. J. Mitchell, R. T. Riley, R. Hobson, Major G. A. Bell, Sir Hormisdas Laporte, Col. Thomas Cantley, A. P. Barnhill, E. R. Wood.
2. Director's fees, $2,000 each, and travelling expenses to and from their homes.
3. The Government has no information.
4. Answered by No. 3.

So here we have the Government stating in the House that they have handed over the railways of this country to certain gentlemen to direct for the people and have authorized them to spend every year approximately $200,000,000 of the people's money although the Government have no knowledge of their previous associations or affiliations. Surely, that is not good business. Surely that is not exercising the ordinary business caution of men who are trustees, as the Government are trustees for the people, in a matter so important as this. If the Government does not know what the interests and affiliations of these gentlemen are there are books published that will tell them. If they will look in the Directory of Directors they will find that these gentlemen have belonged to a great many companies. My hon. friend from Brome (Mr. McMaster) on one occasion in the House this session read out a list of the companies they were associated with, and one could not help being struck by the fact that these gentlemen are directors in many companies which are doing millions of dollars worth of business each year with the national railways. I do hope, that in making purchases for the Canadian National Railways these gentlemen get the lowest possible price, I have no doubt they do but that is not the question. I say it is highly improper for men who are directors and presidents of companies which are doing millions of dollars worth of business with the national railways to be also acting as directors of the railways. Let me explain what I mean. We have in the list of directors the name of Mr. Robert Hobson. Mr. Hobson is president of the Canada Steel Company. Now the Canada Steel Company does quite a business with the Canadian National Railways. As I said before, if Mr. Hobson is a real director, with all the responsibilities of a director, when the purchasing agent comes in with his requisition for the directors to pass upon, what does Mr. Hobson do when the tenders are opened from the Canada Steel Company? Does he say: The prices are too high. He is the president of that company, remember. Or does he—he probably does—refuse to sit on the board while the matter is being discussed? Let me give another example. This same gentleman is a director of the Canadian Locomotive Works. What does he do when the tenders from that firm for locomotives are being considered? Does he say that the prices quoted by that firm are too high, and that the national railways should not deal with that firm for locomotives, or does he refuse to sit on the board and look out of the window while the matter is being discussed? I might also take the case of Colonel Cantley, who is a director of the Eastern Car Company, and of the Nova Scotia Steel Company. What does he do when tenders from these companies are being opened by the Board of Directors? I might go on down the list. The point I

make is that these gentlemen are occupying an anomalous position. They have no right to be buyers and sellers at the same time, and if their own sense of propriety does not dictate that to them the Government should step in and see that the men who are in charge of the National Railway System as directors should not be associated with companies which are doing millions of dollars worth of business with the National Railway System annually. Let me tell you that the people of this country who know anything about the railway situation appreciate that point. You will hear it everywhere. How does the Government expect to make public ownership a success under these conditions?

They must first have the confidence of the public, and they will never get it unless they do what should be done. The Minister of Railways (Mr. Reid), is looking for suggestions. Let me give him two: First, ask for the resignation of the president; second, ask for the resignation from the directorate of men who are associated or affiliated with other companies doing business with the railways. If he does this he will go a long way towards restoring public confidence in the enterprise, and in that way he would help largely to wipe out the annually increasing deficit.

My hon. friend, the Minister of Finance, has been delivering a good many addresses outside of this House, and once or twice in the House, with reference to the adverse balance of trade. I should like to say a word or two bearing upon that important subject. I do not care what views any hon. gentleman in this House may hold with reference to the tariff. I do not think that anyone will gainsay the fact that our manufacturing industries in Canada have done much to develop the country. I have no hesitation in saying that; nor have I any desire to minimize the effect of what they have done. In my opinion, however, the manufacturers of the country to-day are not fully alive to their responsibilities. I believe they have been paying too much attention to the home market of 9,000,000 people, and not giving enough attention to the markets of our sister Dominions comprising in all over 400,000,000. There are two alternatives when a business man or a manufacturing concern is threatened with competition. In the first place, if it is a question of price, the business man sits down, looks the situation over carefully, and realizes that one way of improving matters is to increase the volume of business, decrease his overhead, and thus reduce the price of his finished product so that he may meet competition. There is another way, and it is one which I think has been more in vogue during the past few years than is really good for the country, and that is, for the manufacturer to come to Ottawa, and ask for more protection so as absolutely to shut out competition. When that is done, so far as he is concerned, he is through; and many of the manufacturers, I am afraid, have pursued this line of least resistance. I know that the Minister of Finance is always frank; but, if he were perfectly willing, I have no doubt he could tell us to-night that during the past few weeks there have been many hundreds of manufacturers from various parts of the Dominion calling at his office and asking for protection, and more protection. So far as this Budget itself is concerned, there are no tariff increases; but I am not so sure that in connection with the legislation enacted by my hon. friend, extending the anti-dumping clause, there is not room for some of our manufacturing friends to be well taken care of. As a matter of fact, this new law will give the Minister of Customs almost arbitrary authority in regard to fixing the price at which goods may be entered, although of course, I do not say that will be done: Within a year we shall learn whether it is or not; but there is ample room there for a good deal of protection, probably more than 5 or 10 per cent of a direct rise in the schedule would be.

As I have remarked, I think the manufacturers of this country have been paying too much attention to the home market to the neglect of foreign markets. Recently a campaign has been put on to buy goods made in Canada, and in connection with that compaign, the president of the Canadian Manufacturers' Association made a tour of the principal cities in Ontario. This gentleman not only addressed encouraging remarks to the business men to buy goods made in Canada, but he also delivered addresses on pretty nearly every question under the sun. In one place, I notice, he warned them against the evils of an early election. He said: "If you have an election now it will interfere with business and unsettle the minds of the people of the country." An election interfere with business to-day, when one-half of the factories are shut down and the other half running on half-time! An election unsettle the minds of the people, when the great majority of the Canadian people are only waiting for an opportunity to get their

minds settled by turning out this Government! Why, sir, the unsettling factor in the country to-day is, that the people are not given the opportunity to state their minds; and if my hon. friends opposite have any doubt about that, let them put it to the test, and they will soon find out.

Now, my hon. friend, the president of the Manufacturers' Association, was kind to my Agrarian friends. I do not know whether it was at Peterborough or at some other place he suggested that it might be advisable to allow a rebate of income tax so far as the farmers were concerned. Well, that would make for a very friendly feeling, as he said, between the farmers and the manufacturers; but I do not know why he simply limited his proposal to the farmers. Why did he not suggest taking the income tax off everybody and thus have everybody cheering for the Manufacturers' Association? It would have appealed to a good many of us, I know.

These gentlemen are not paying sufficient attention to foreign trade. Recently I had the opportunity of listening to an address delivered by Mr. A. N. Lawrence, the general sales manager of the Ford Motor Company of Canada, who had just returned from abroad after having travelled for over sixteen months throughout the sister Dominions, and having covered 64,000 miles. What does he say with reference to the enterprise and initiative of our Canadian manufacturers? This is what he says:

> During my entire sixteen months abroad, I never met a single representative of any Canadian enterprise. On the other hand, the activity of American representatives in these same countries is so decidedly marked that one could safely say that to-day American industries are invading the whole of the British overseas possessions.

That is the statement of the sales agent of a Canadian concern. He spent sixteen months in the British Dominions, including India, South Africa, New Zealand, Australia, and the Straits Settlement, representing a total population of some 400,000,000: in some of these Dominions we have a preferential tariff; nevertheless, these places are all over-run by Americans, while there are no representatives of Canadian firms in any one of these countries. What does this gentleman say? In every city he visited the Americans were selling their goods and buying raw materials, and those same raw materials they subsequently sold in New York to Canadian manufacturers. Is there any wonder there is a balance of trade against us? It is not the fault of the consumers whom my hon. friend has been lecturing; it is largely the fault of those who supply the consumer.

Sir, I have some figures here in regard to last year's trade imports; they are taken from the statistics supplied by the Department of Trade and Commerce, and cover the imports for the fiscal years ending March 31, last. They disclose that furs and skins to the value of $10,878,924 were imported from the United States. Why send our raw furs to the United States and bring back the finished product? Of leather and manufactures of leather we imported $15,742,091. Surely such an extensive importation as that constitutes an indictment against those who are in the leather and shoe business in this country. Then of copper and its products we imported $8,477,403 worth. Now, there is no country in the world in which there is more copper available than Canada. Why then should we import over $8,000,000 worth of copper and its products from the United States? Then of electric and gas apparatus we imported $10,780,775. We have concerns in Canada who are manufacturing these very articles under protection. In that case why should our people have to go to the United States and buy $10,000,000 worth? There is something radically wrong when such importations are made, and my hon. friend the Minister of Finance should lecture the Canadian manufacturers in that connection. He should tell them to make what the people of this country want and there will be no difficulty at all in getting the Canadian consumers to buy Canadian products.

Apropos of the addresses that have been delivered by my hon. friend, I notice that he has been lecturing the ladies on the wearing apparel which they obtain in the United States and elsewhere. I have not sufficient knowledge to determine where that wearing apparel comes from, but I assume that my hon. friend knows what he is talking about. Speaking more particularly of the women of my home city—Windsor—they do not go across the Detroit river and pay ferry fare, car fare, and the exchange on Canadian money, and then duties on the goods they bring back, just for the privilege of purchasing clothing in the United States; they go there simply because they cannot obtain what they need from our local stores. That is not the fault of the local merchants, it is because the manufacturers in Canada are not giving them the desired style and quality. Just as soon as they provide these requisites there will be no need to lecture the con-

sumers on the necessity of buying home products. Nobody wants to buy any goods made outside of Canada; everybody that I know of wishes to help Canadian trade by buying Canadian goods. All want to do their part in that regard, but let the Canadian manufacturers give them value for their money. I agree that the slogan "Buy goods made in Canada" is a good one, and I heartily approve of it, but I would add these words to that slogan "Just as long as you get equal value for your money." I do not believe it is right to penalize the consumers in this country in order to keep Canadian manufacturers in business who are not able to meet proper competition.

I have nothing more to say except a word or two in reference to the amendment. I need hardly say, Sir, that I propose to vote for the amendment. I shall do so for several reasons: In the first place, it emanates from the Liberal party, and the Liberal party and its policy have always appealed to me. The Liberal party was the party that made this country prosperous, and I am perfectly satisfied that if it is again returned to power, prosperity will once more return to this country. That is one reason why I am going to vote for the amendment. Another reason is this: I believe that my hon. friend from Shelburne and Queen's (Mr. Fielding) is absolutely proceeding along the right line when he says the kind of manufactures that should be encouraged in Canada are those that will avail themselves of our raw materials. I have no hesitation in supporting that. I likewise believe in the statement contained in the amendment that any change in the tariff should be one that will lower the burden which the consumers of this country are carrying today.

10 p.m.

Mr. SAMUEL CHARTERS (Peel): I was very much surprised at the tone of the remarks of the hon. gentleman (Mr. Kennedy, Essex) who has just taken his seat. Most young men now-a-days are cheerful in their utterances, but the hon. member was very doleful—he sees nothing around him that is good. He complains of what he calls "the flag waving" of the Minister of Militia (Mr. Guthrie). My hon. friend will not be accused of anything of that kind. Let me say that the Minister of Militia, though he may be sneered at by hon. gentlemen opposite who are not in sympathy with him, stands high in the affections of the people of this country because of the position he took three or four years ago when it meant a very great deal for him to take the stand he did.

The complaint is also made that we have too many generals. Surely my hon. friend knows that the generals were not the product of any action on the part of the Government; they were the product of the war. These officers won their generalships by sacrifices and by services to their country, and had other gentlemen acted similarly they might have also been promoted.

My hon. friend from Essex has complained in regard to everything. Judging by his speech, if he had his way the militia would not be needed, the naval service would be discontinued, and the railway situation might be regarded as settled. Many years ago we were accustomed to what were called "blue ruin" speeches, but not much has been heard of them of late. Now we have had a resurrection of those sentiments by my hon. friend from Essex. However, such views are not very generally entertained by members on either side of the House. I do not think my hon. friend will strengthen himself in the town of Windsor by the position which he takes in relation to the manufacturers of the country. He tells us that a number of manufacturers visited the Minister of Finance before the Budget was brought down —that they came to Ottawa, looking for more protection. Surely my hon. friend did not expect the Minister of Finance to intimate to them that they must not come. My hon. friend adds, however, with respect to the interview "They did not get it." If that is the position surely there can be no complaint on that score.

Then my hon. friend said that half the factories in the country are closed and the other half are not operating on full time. All they want, he says, is an election in order to have a chance to turn the Government out. Then, I suppose, they will go full steam ahead.

My hon. friend tells us we should buy goods from the United States if the value of the goods is just a little bit better than the value we can obtain at home. I do not think that is a good policy myself, and I am satisfied that the people of this country, to a very large degree, do not believe so either although I think we have a right to give them every advantage so far as we can do so.

I do not know that I would be wise in attempting to follow any further the statements that have been made by the hon. gentleman. They will be read throughout

the country with very great surprise by those who had expected from the young, cheerful, coming and expectant Finance Minister something more encouraging and hopeful.

In this, as in every other Budget debate, it is contended that the policy of protection works injury to those engaged in agriculture. Protection, we are told, has made for the abandonment of farming, for rural depopulation, for decreased production, and for unequal and burdensome taxation. If that charge could be proven I do not think the farmers of Canada would have supported the policy for so many years. They would have abolished it. But the conditions that obtain in the province of Ontario—that is where any rural depopulation or shifting of population is most pronounced—are practically the same as they are elsewhere.

For instance, in Michigan it was officially reported that there were no fewer than 18,132 farms abandoned in last year, that 1,700,000 acres were undeveloped, that 30,000 farm houses were vacant, and that 46,000 persons left farms in three years and 10,000 in one year. The same conditions prevail in the state of Indiana. According to a statement made in April last by the Wall street journal, 255,000 farmers left the land in one year in that state, 24,000 vacant farm houses were reported in New York State, and only 300,000 farmers remained on the land in that state. So if there has been some shifting of population in this province, the same condition exists in the states across the line. The protective tariff, which is higher there, has not kept the people on the land; nor has the free trade, or near free trade policy had that effect in England, because the same condition exists there.

What are conditions in the province of Ontario? We have been told over and over again during the past forty years that 3,500 people had left the farms every year and had gone to the cities and towns or elsewhere, and it has been contended that the Government, or the National Policy, is responsible for this so-called rural depopulation. If the policy of the government is to blame, then one side is just as responsible as the other, because for fifteen years the Liberals were in power in the Dominion and for twenty-five years in the province, and if it was possible to remedy that condition of affairs by legislation they would have done so. But the statements are not quite borne out by the facts. For instance, those who left the rural parts of the province were not by any means all farmers. In almost every part of old Ontario there are many unincorporated villages, the inhabitants of which are classed as rural residents. Because of the changed conditions these villages have been practically wiped out in some places and the people have gone elsewhere. But they were not all farmers; there were the corner tavern keeper, the grocer, blacksmith, the wagon maker, and the others employed in different lines of trade; they have gone, and in that way there has been a reduction in population. But in addition to that we have other causes that I need not refer to here, one of them being the exceedingly low birth-rate in certain rural parts of the province.

But if those people have left the province in any considerable numbers—and undoubtedly they have—they have not been lost to Canada, because they have gone to one or other of the western provinces and are now assisting in developing the country in the various capacities in which they are engaged. That is borne out by the fact that in this House 33 members representing western constituencies were born in the province of Ontario, and I think that should be regarded as a recommendation in favour of those members.

But whatever may have been the conditions in the past, the changing of population has ceased. There is no longer a decrease in the rural population of the province of Ontario. The population of 1919 is greater than that of 1918 and the population of 1920 is greater than that of 1919. The figures are:

1918	996,228
1919	998,597
1920	999,910

The increase is not very large, it is true, but there is an increase, and it is about equal to half of the decrease in the years referred to. Then, on the other side, instead of a further increase in the population of the towns and villages there has been a decrease. The decrease last year compared with 1919 was 8,255, or two and a half times as great as the decrease in the rural population in the years immediately preceding. This, I think, furnishes very good evidence that the so-called exodus from the land, in so far at least as the province of Ontario is concerned, has practically ceased; and is evidence also that the people in the towns and villages are seeking employment in the country, a condition of affairs which will be generally agreeable to all those who are interested in the progress of the country.

But while there has been that decrease in population in those years, production has not decreased. Improved machinery, improved methods, improved conditions have made possible increased production with the decreased labour. Many millions of dollars, as everybody knows, have been expended in the construction of good roads, and this has made possible the easier marketing of farm products. To-day a man can drive a distance of fifteen, twenty or twenty-five miles with half the time, labour and expense that were occasioned in days gone by. Millions of dollars have also been expended in establishing the rural mail service, which has been another convenience to the people in every part of the Dominion, perhaps more especially so to those in the older portions of Ontario. Then, too there has been invested in telephones in the province of Ontario no less a sum than $50,000,000, with 360,000 telephones in use, or one for every seven persons. I mention these things for the purpose of indicating the changes that have taken place and also the improvements that were possible because of those changes.

Let me give an illustration furnished by the Department of Agriculture a short time ago. In 1850 it took one man 39 hours to produce an acre of corn; to-day it requires only 18 hours. In 1850 it took a man 61 hours to produce an acre of wheat; now it takes only ten hours. In 1850 it took a man 21 hours to harvest an acre of hay; to-day it takes only 8 hours. In Belgium one man works five acres of land; in England, 10 acres; in Ontario, 40 acres. That is, Ontario's production per man is very much higher than in those two countries, although their yield per acre is very much greater than ours.

As to our field crops and other farm produce during the years that have been complained about, taking the years prior to the war, the following statement will be interesting as applying to Ontario:

	1883	1913
Field crops..	$114,000,000	$160,000,000
Farm buildings ..	163,000,000	345,000,000
Live stock..	99,000,000	237,000,000

This is not an indication that agriculture was going back in that province. The same applies to the Dominion. The total farm products of Canada in 1900 amounted to $364,000,000; in 1910, $663,000,000; in 1919, $1,197,000,000.

If there have been abandoned farms, as is contended—and there were some, but they are very few in so far as that part of the country is concerned—there were also abandoned factories. It is sometimes contended that every farmer is a man who is suffering, and that every manufacturer is a man who is prospering; but in the ten years 4,500 failures of manufacturing concerns have taken place in Canada. And, let me say that rural depopulation has ceased to exist in Ontario, if it ever did exist. Abandoned farms are few where the land is good and reasonably certain for cultivation.

It cannot be denied, however, that there is still a shortage of farm labour, and nobody has been able to suggest a remedy that can be adopted to provide against that shortage. Everybody knows that there is very considerable unemployment in the cities, while the farmers require hired men. The reason that those idle men in the cities are not employed in the country is because the farmers are unable to pay the wages demanded, and those who are out of employment refuse to accept the wages the farmer is able to pay. If any one can devise means by which the two can be brought together, he will be doing a good service to his country, but so far nobody has proposed legislation or any other remedy that will accomplish that end.

While everybody is anxious to see as many people as possible working on the land, it would not be well for everybody, or even nearly everybody, to be a farmer. It is a fact that those countries in which farming is the chief occupation of the people are not countries which we look upon as examples, so to speak. In Mexico nearly all the people are on the land. In Russia 85 per cent of the people are still engaged in farming, and in India the proportion is equally large. An hon. gentleman referred the other day to a native of China, a grandson of Confucius, as giving valuable instruction to the people of this and other countries. In China the people are largely on the land, and Canadians, supposed to be downtrodden and taxed to death, are subscribing money to keep the Chinese people from starving in the famine districts. I mention these things because in recent years it has been a common practice on many platforms to assert that the farmers all over Canada, particularly those in Ontario, are suffering because of the policy of protection. It is a fact, however, that under the policy of protection the farmers of Canada have prospered as they never prospered before, and they are prospering to-day much more than they would have done had the policy

of free trade which is advocated in some quarters been adopted.

Another complaint we frequently hear is that the farmers are subjected to unfair taxation. There is no doubt that the farmers are able and willing to bear their fair share of the burden of taxation, and the complaint that they are unduly taxed is not justified by the facts. One complaint that is heard very frequently is that the duty on farm implements is a heavy burden upon those engaged in agriculture. But those who have made a careful study of the situation say otherwise. The hon. member for North Oxford (Mr. Nesbitt), himself a farmer, is an example. He showed the other night that $28 per annum was the amount paid in customs taxes by the farmer on the ordinary 100 acres of land. If that is true—and I have no doubt that it is—surely there is not much ground for complaint on that score.

Then there is the other argument that the tariff increases the price of farm implements, and that if the duty were removed, if we had free trade, prices would come down. But the experiences of the past have not shown that to be the case either. The question of binder twine has been before the country for many years. There is no tax on binder twine, and if the arguments of free traders hold good that article should be just as cheap in Canada as it is in the United States. But the facts are that this year in Ontario—and I have no doubt in the western provinces as well—the price of binder twine was from 20 to 21½ cents per pound, while in the United States—Michigan, Wisconsin, Illinois—the price was 16½ cents. This is an instance of what we might expect if the duty on other articles was removed.

Then, there is the other article about which so much has been said, the cream separator. Mr. Findley gave a very exhaustive statement on this subject last fall. He pointed out that a cream separator sells for $105, no duty being imposed, but that a mower, in which there is very much more material and the construction of which involves more labour, sells for $97 although it is subject to a duty of 12½ per cent. These are sample cases; I am sure that instances of this kind could be multiplied indefinitely.

The question has been raised whether the burden is too heavy in other directions. Does the income tax bear too heavily upon the farmers of Canada? Everybody knows that it does not. Answering a question in the House of Commons a few weeks ago the Finance Minister said that the amount collected in income tax up to February 28, 1921 was $62,687,258 and that of this amount the farmers had paid in 1917 and 1918—the returns for 1919 being not then complete—$957,980. This shows that the income tax is being carried by those who are best able to pay and is evidence of the wisdom of the Finance Minister in imposing it as he has done.

We hear a good deal this afternoon about the sales tax. I said at the beginning of my remarks that the member for Essex was in a doleful mood; I do not think he was any more doleful, however, than our usually cheerful friend the member for Mackenzie (Mr. Reid): The sales tax, according to him, was everything that was bad. The hon. member estimated that the sales tax would amount to $147.50 per family.

Mr. REID (Mackenzie): I wish to correct my hon. friend; I did not make any such statement. What I did say was that the customs tax plus the sales tax would amount to $147.50.

Mr. CHARTERS: Well, at $147.50 per family the hon. member would have a revenue of $295,000,000; if it is only half of that, according to the way he puts it now, then it would be nearly $150,000,000, three times as great as the amount expected by the Ottawa correspondent of the Farmers' Sun, who, I understand, is a sort of guide, philosopher and friend of the Farmers' party. I am sure that the Finance Minister will be very well satisfied if he gets a much smaller sum than that mentioned in the somewhat extravagant statements which are being made here and elsewhere throughout the country. Whatever the sales tax may be it will not bear heavily upon the poor man; it will, as in the case of the income tax, be borne very largely by those who are in the best position to spend money and to make many and heavy purchases. I would remind the House also that this is the only business tax being levied, and surely the amount to be collected under this head, even if it be the larger sum estimated, would not be considered very great in view of the necessity for discharging our debts in connection with the war.

Perhaps hon. gentlemen have an idea that this is the only country in which customs taxation is levied. According to a statement made by the Chancellor of the Exchequer in the British House of Commons on April 19, 1920, up to March 31 of that year, the sum of £149,360,000 had been collected in customs duties im-

posed on goods imported into the United Kingdom. In other words, the average amount paid by the residents of the United Kingdom, represented as a free trade country, by way of customs tariff tax last year was $16, only $3.50 per head less than that collected in Canada, which is supposed to be a high tariff country. The amount paid in England per family, therefore, would be about $80 per family.

The hon. gentleman, who complains about the sales tax, the customs tax and almost every other tax, subscribes to the doctrine that there should be freedom from taxation and free trade everywhere. That view, of course, he has the right to hold and to advance as far as he is able. But surely he must forget that we require $450,000,000 of revenue during the next year. Where are we going to get it? If he wipes out $100,000,000 or thereabouts in customs duties, the portion of the sales tax with which he is dissatisfied, and other items dealt with in the platform which he supports, we shall have very great difficulty in securing the money or in providing other means of taxation. As to a land tax, I venture to say that it would not be very acceptable to the farmers of this country.

Let us keep in mind that there must be industrial centres and the question is whether they will be in Canada or in a foreign country. Every shoe factory that is now in operation, every woollen industry, every foundry, every factory of any kind, gives considerable employment, increases the purchasing power of the community, and adds to the prosperity of the people. Seven hundred thousand men are now engaged in the factories of the country and are supporting no less than 2,000,000 of the people in this Dominion. In that number 75,000 are engaged in branch factories of American concerns that have been established in this country because of the tariff, and that are established only because the tariff has been imposed. These people are receiving from those factories no less a sum than $80,000,000 in wages annually. Surely, we are not anxious that that should be reduced in any way, and I am quite satisfied that if the policy advocated by hon. gentlemen opposite is put into effect, there will be very few, if any, of those factories remaining in Canada five years hence.

We are anxious also to interest outside capital. We cannot interest outside capital by the method adopted by the hon. gentleman (Mr. Fielding) who speaks for the Opposition as a financial critic. That hon. gentleman the other day gave this warning:

> If there are any people in Canada who are contemplating the establishment of new lines of business in which they feel that tariff protection is necessary, I do them a friendly service when I say: "Don't do it," because anybody who counts upon the continuance of a protective policy is bound to find that he is pursuing a delusion. If any outside capitalist purposes coming to Canada to start some industry which he believes can only be kept alive by protection, again, I advise him not to come.

That is not good advice to those who are contemplating coming to Canada. It is not good advice to those who are here; but as the hon. gentleman and his friends will not have an opportunity for many years to come of putting their views into practice, I do not know that we need pay much attention to it. The National Policy has met with the approval of the people; the policy that has made Canada great during forty years will continue to make Canada greater and greater in the years that are immediately before us.

Mr. ANDREW KNOX (Prince Albert): Mr. Speaker, while I have been listening to the different contributions to this debate during the last few days, there have presented themselves to my mind several thoughts which I venture to place before the House. In the first place, the one outstanding feature of the Budget, as I see it, is that while an effort is made by my genial friend the Minister of Finance (Sir Henry Drayton) to raise the necessary funds to meet what are, in some cases, unnecessary expenditures, a very different policy is followed this year from what was repeatedly announced last year as being the policy of the Government, that is that while last year the policy of direct taxation was placarded all over the luxury taxes of unhappy memory, this year the Government has changed its mind and adopted its old policy of indirect taxation and, as the hon. member for Red Deer (Mr. Clark) has pointed out, these taxes actualy place a heavier burden upon the workingman than upon the millionaire. In this regard, I would point out that in the United States while they are repealing the excess profits tax, they at the same time propose to replace it by a tax upon corporate profits, so that this tax may be adjusted according to ability to pay. But under our Budget scheme, the business profits tax is repealed, and the burden is shifted on to the shoulders of the consuming public in the shape of a 50 per cent increase in the sales tax.

A good deal has been said about expenditure in other countries in comparison with Canada, and a few days ago the Minister of Militia and Defence (Mr. Guthrie) gave us bushels of figures along this line, but then he did not give the whole story. I find that the Secretary of the Treasury in the United States announced, in his estimate of expenditure for this year, a reduction of $1,000,000,000 from that of last year, or in other words, a reduction in round numbers from $5,000,000,000 to $4,000,000,000. This expenditure of $4,000,000,000 which is proposed for this year works out at $37 per capita, while ours in Canada of $591,000,000 on an estimate of our population of 8,500,000, is just around $70 for each man, woman and child in the Dominion. That is to say, $37 per capita in the United States and $70 per capita in Canada, or almost double that in the United States. The Minister of Militia and Defence, however, showed us that the militia and defence expenditure in Canada is only $1.69 per capita, while in the United States he showed it to be $13.13 per capita. This would leave an expenditure for everything outside of defence of $23.87 per capita in the United States as against $68.31 per capita in Canada, or practically three times as much.

I am reminded of another famous speech by the Minister of Militia and Defence in which he criticises the farmers of the Dominion for purchasing machinery made in the United States. I would draw his attention to a statement of the Minister of Finance (Sir Henry Drayton), that last year Canada imported 2,000,000 pounds of strawberries and 4,000,000 pounds of out of season tomatoes from the United States, and I would ask him: Does he think these were purchased by the farmers?

While the expenditure of the United States is being cut down by $1,000,000,000 and is only $37 per capita as against our $70, the Secretary of the Treasury is evidently convinced that it is still too high, and in his message to the Committee on Ways and Means he has this to say about it, which might well be considered here:

> The nation cannot continue to spend at this shocking rate. As the President said in his message, the burden is unbearable and there are two avenues of relief. "One is rigid resistance in appropriation and the other is utmost economy in administration." This is no time for extravagance or for entering upon new fields of expenditure. The nation's finances are sound and its credit is the best in the world, but it cannot afford reckless or wasteful expenditure. New or large expenditures cannot be financed without increased taxes or new loans. Expenditures should not even be permitted to continue at the present rate.

Mr. GLASS: Could my hon. friend tell the House what are the per capita imports of the United States and the per capita imports of Canada? They would have a material bearing on this question.

Mr. KNOX: I am speaking about the per capita expenditures, and I think the quotations given should be quite satisfactory to prove my argument.

In regard to our estimates of expenditure for this year, I would point out that there are many items, some very large items, which might well be eliminated in view of the strenuous times through which we are passing, and in view of the fact that to meet these expenditures it is necessary to resort to further taxation of the great masses of the common people who are already indirectly taxed to the limit on almost everything they purchase, outside of some foodstuffs. Why should the workingman of the city of Prince Albert, or the homesteader or farmer of northern Saskatchewan have to pay an increased tax for the purpose of spending millions of dollars on the Welland and Trent Valley canals, which can give no immediate returns, while they are denied the completion of the Hudson Bay railway, knowing as they do that the difference between the transportation charges by the present route and the Hudson bay route would mean the difference between success and failure for them?

Mr. Speaker, I was particularly pleased to hear the hon. member for Oxford North (Mr. Nesbitt) as a supporter of the Government, criticise in no milk and water fashion the wanton expenditures that are taking place, particularly that connected with the Trent Valley canal. I am sure that many hon. members supporting the Government, if they really spoke out their minds, would speak in the same way. The argument has been made that these expenditures are merely for the purpose of giving employment. If that is the case, I can easily mention a number of ways in which employment can be given with much more beneficial effect than by this expenditure on canals and dry docks. One way in particular that commends itself to me, and that would certainly have the advantage of benefiting a class of men well deserving of it, would be a loan to the returned man, so that he might build a house for himself and thus help to re-establish himself in the country. If the same amount

were expended in this way it would give a great deal more employment than if expended on canals and dry docks; secondly, it would be spread over the whole Dominion more equally; thirdly, the money would eventually find its way back to the treasury; and fourthly, and most important of all, you would have the satisfaction of knowing that you were doing something for the man who really deserved it. Many of these men have come back with the full intention of marrying and settling down, but in view of the present housing situation, this is impossible. In many of the towns and cities rents are practically beyond reach, and very few returned men are in a position to build without assistance. I ask the Government seriously to consider this proposal.

Speaking of northern Saskatchewan, I would point out that the people there are naturally optimistic if they are only given a chance. They feel that they have an unequalled heritage both in soil and climatic conditions. It is now more than fifty years since the first settlement was made in the Prince Albert constituency, and during that time we have never had a crop failure. We have untold undeveloped natural resources in the northern part of the constituency, but vast areas are handicapped for want of transportation facilities. Speaking of transportation facilities, I was gratified to hear the Minister of Railways announce a few days ago, when giving the programme of branch lines on which steel would be laid this year, that steel would be laid on the Paddockwood line north of Prince Albert, and on the line running north-east from Melford. I have here a copy of the Prince Albert Daily Herald, published since then, making reference to this construction, and I wish to quote a short extract to show that the people there are mindful of the situation, and appreciate what it is proposed to do:

> Much gratification is naturally felt in the city and district over the announcement from Ottawa that the Paddockwood railway line is on the program for rails this year, which means that trains may be running north from this city before the snow flies again. Operation of this branch will at the outset open up a rich territory but the importance of the new line lies not so much in the first twenty miles as in later extensions which will put a vast area possessing wonderful natural resources into touch with Prince Albert.
>
> Laying of steel on the north line will be most gladly welcomed by the prosperous soldier settlement which has gone in around Paddockwood. It is possibly largely on account of promises made to this settlement that the Government has decided to proceed with this line in a year when only a small mileage of steel laying will be attempted.
>
> In view of the plan of the Government it will be necessary that the grading work on this line be rushed to completion so that there will be no reason to be advanced on that score why the steel cannot be laid in late summer and fall.

The contract was let and the grading partly completed last year. The balance is being rushed now, so as to be ready for the steel.

I must admit that I can see a slight ray of light, possibly a slight indication of penitence, in the fact that the Minister of Finance has exempted from the sales tax foodstuffs in their natural state, as well as the first product of the fisheries, mines and forests. If the Government would only extend this exemption to apply to customs tariffs on the implements of production used in these same lines, I would be forced to the conclusion that they had at last repented, though it might be only death-bed repentance. I am sorry, however, that there are no indications of any such thing.

As the platform of the Progressive party calls for the free admission of the implements of production and the amendment now before the House also calls for that, I shall certainly vote for the amendment.

The present Government has announced its policy as a policy of protection. We know where they stand in that regard. We also know where the Manufacturers' Association stands with regard to the Government. But what is this protection going to do for the farmer of this country? It is going to increase the price of everything he has to buy without any corresponding increase for what he has to sell, and it is going to increase the cost of living for the public generally. Here is what the Right Hon. A. J. Balfour once said about protection, speaking in Edinburgh:

> A protective policy is a policy which aims at supporting or creating home industries by raising home prices. The raising of prices is a necessary step towards the encouragement of an industry under a protective system. The object of protection is to encourage home industries. The means whereby it attains that object is by the manipulation of a fiscal system to raise home prices. If the home prices are not raised, the industry is not encouraged. If the industry is encouraged, it is by the raising of prices.

I think that that coming from a man like Mr. Balfour, shows that it is a recognized thing that protection does increase prices. A few days ago I had a letter from a western farmer who gives a good deal of thought and study to economic and public questions, and one paragraph coincided so

closely with my own views on the subject that I venture to quote it here.

> To make our railroads profitable we must have production along their lines; to have production we must have people; to have people producing we must create such economic conditions surrounding production that they can reasonably hope to make that production profitable.

I would ask, in all fairness, if there is any indication on the part of the present Government, or one jot or tittle of evidence in their policy, to show that they are making the least attempt to create such economic conditions surrounding production of the natural products that those engaged therein may reasonably expect to make that production profitable. If there is, I have been unable to find it.

A great deal has been said about a Board of Inquiry to inquire into the grain trade. If anything can be done to improve conditions in that trade, it will certainly be appreciated by the people of the West, but permit me, Sir, to inform this House that there is a strong feeling throughout the West at present that this board has been appointed for a very different purpose than to improve conditions in the grain trade. This feeling is gaining ground, not only among the opponents of the Government, but also among those who are, or possibly I would be more correct in saying, who were, supporters of the Government. I have before me a copy of an article written by a gentleman of the latter class, and published recently in western papers over his own signature. He is Mr. E. N. Hopkins, a prominent citizen of the city of Moosejaw, a most highly respected man, who for some years held the high and honourable position of President of the Saskatchewan Grain Growers' Association, and who still is honorary president of that association. He was always known as a staunch and loyal supporter of the Conservative party, and as proof of that I would point out that he was appointed by that party some six or eight years ago as a member of the Economic Development Commission, so there need be no mistake as to this gentleman's political standing. I shall not read the whole article. After dealing with certain matters connected with the grain trade and the Board of Grain Commissioners, Mr. Hopkins has this to say:

> If I were to give the Government a little friendly advice—unsolicited—I would say that the farmers have been wondering for some time if a farmers' government would not be a distinct improvement, and they are now beginning to feel confident that it could not be worse than the present regime. The first thought is dangerous, but the second will be fatal to the Government once the farmer realizes the absolute justness of the case and the utter weakness and unfairness of the shallow arguments advanced by the Grain Commission. The present Government would be well advised to take time by the forelock and make as many as possible of the "faithful" safe and comfortable by placing them in that political graveyard known as the Canadian Senate, for, unless they mend their ways, their days are numbered, and we would have them know that the mal-administration of the Grain Act has played no small part in their downfall. The farmers of the West have very little use for governments that "break faith" and for commissions that prove false to the trust reposed in them.

Appeasing Farmers' Wrath

> Since writing the foregoing word has come to hand that the Government has appointed a commission to investigate the whole grain trade. By this means it is hoped to appease the wrath of the farmers and give the Government time to go over the same ground, bring down more legislation, and entrust the administration of same to three or four more of their incompetent but very faithful henchmen. But this will only bring us back to where we started. There is no need for any investigation into the grain trade, no need for any further legislation, but there is very real need of the present Board of Grain Commissioners being fired and replaced by men who are not only thoroughly conversant with the grain trade, but are also known to be sympathetic in their attitude towards the act which they are required to administer. The whole difficulty is that we have a Grain Commission which is not in sympathy with the Grain Act, and which, therefore, makes no effort to administer the Act in the spirit in which it was conceived. To suggest an enquiry into the grain trade and to take one of the grain commissioners and place him on the board of enquiry is a most extraordinary procedure—especially when it is borne in mind that the activities of the Grain Commissioners will come in for close examination during the investigation. With a grain commissioner on the board of enquiry it is safe to assume that anything reflecting on the Grain Commissioners will be ruled outside the terms of reference, and the unfortunate farmer will once again find himself the goat in another piece of political strategy.
>
> What may we expect from a commissioner who has been unable to interpret the spirit or intent of an Act he has administered for years?

I might add Mr. Speaker, that the people of the West are anxious, if any investigation is to take place, that it be carried out in such a way that the members of the Board of Grain Commissioners be called upon to appear as witnesses and not as judges. I commend this thought to the Government.

Mr. H. A. FORTIER (Labelle): (Translation.) Mr. Speaker, several sittings of this House have been taken up by the debate on the Budget. Such as it is, this speech is open to a good deal of criticism,

as well as the speech of the hon. Minister of Finance. To my mind some statements have been made which should not go unchallenged. Although the discussion concerning the financial and economic aspect of the question has been dragging on for quite a while, I feel it my duty to submit a few remarks to your indulgent attention. The most to be deplored in the present Budget is to my mind the regrettable state of our finances. Indeed any one who has followed so far this debate, is forced to recognize that the burden of our taxes is ever increasing; that the extent of our liabilities is now boundless. Following on this dismal picture, it is painful to note the deplorable lack of a progressive tariff policy which might relieve the general uneasiness in the country by bringing on a revival in production and trade which might take us back to the much regretted happiness and prosperity of former years.

Our finances, as every one admits, are in a deplorable condition, and yet the Government does nothing to remedy it. I understood that after the great war, we should have had a painful burden of debt to bear. Had it been only that, we could by necessary sacrifices effectually meet our liabilitites, however heavy. No, I do not refer here to the encumbrances, the necessary consequence of our participation in the war. These we regard as a debt of honour; let us put aside the consideration of the causes which brought them on; besides the people understand that the sacrifices represented by taxes to be paid in money, can never equal our greater and nobler sacrifices in blood. No, I shall not speak here of the burdens created by the war; but I wonder, in connection with these heavy sacrifices, which some were ready to offer to "the last dollar and the last man," how the Government can be exonerated for the unwarranted expenditure of these last years. Can the Government ever be forgiven for the millions of dollars sunk in the acquisition of bankrupt railways, in the creation of a merchant marine, in the maintenance of public services, such as those of health and road building, which undoubtedly belong to the Provincial Governments, a policy which involves a constant menace of an unconstitutional encroachment upon the autonomy of the provinces?

Are the Government justifiable in spending millions annually for the creation of a permanent army after the enormous cost of our participation in the war? This is to my mind the grossest inconsistency on the part of our ministers; this is something which clearly demonstrates the incapacity and lack of foresight of the Government; this is, in a word, a most manifest example of the antinational and unpatriotic policy of our rulers.

The hon. Minister of Militia, in the wake of the right hon. Minister of Commerce, has thought proper to take a hand in this debate in defence of the expenditure of his department. He stated that his military expenditure was low in view of the present revenue of the country, and that they did not amount to the contributions made for that object by countries comparable to ours in population and resources. I may answer that it must not be forgotten that our revenue cannot serve as a point of comparison in connection with military expenditures, past, present or future, for this revenue has been artificially swollen with all kinds of possible provisional taxes with a view to meet liabilities incurred in the war. As to other countries, it is immaterial to us whether they engage in militarism and misconceive the needs of the day. They are, however, not to be justified for ignoring the pacific spirit which should prevail in the League of Nations. As we cannot boast of an independence which might in another country justify the maintenance of an army, we are not called upon to follow their example and we should not forget that after all we are but a colony. I shall now proceed to communicate to this House an important statement which the predecessor of the present Prime Minister made to the press indicating a stand which his successor was wrong in not adopting. This statement was made in January, 1921, in reply to a request from an American newspaper leading a crusade in favour of general disarmament.

Sir Robert's view on disarmament

In reply to a request from the New York World, which is conducting a crusade for a general disarmament by Great Britain, United States and Japan, Sir Robert Borden has sent the following statement to the World. "I sympathise most deeply and earnestly with every reasonable proposal for the reduction of armaments." Untold sacrifices endured in the Great War will have been wholly in vain if the nations are still to compete in a mad struggle for supremacy in the power of destruction. The economic folly of such a policy is too manifest to be gainsaid. Is there not a sorrowful and bitter protest from millions on the verge of starvation in Europe and Asia which must ring in the ears of every thoughtful man? Continued competition in armaments assuredly brings the nations to the path that leads to the ultimate disintegration of existing civilization the foundations of which have already been rudely shaken. How can it

be otherwise: To those who ask for bread civilization gives armaments. In the boundary between Canada and the United States, unfortified for more than a century save by the common trust which has never been violated and in the intimate friendship which that just confidence has maintained and strengthened, we have given to humanity a lesson which ought never to be forgotten in the determination of this supreme question.

R. L. BORDEN.

By one of their authorized spokesmen (the right hon. Minister of Commerce) the Government has defended the large appropriations of the Budget for the creation and maintenance of an army. Our military organization is to be retained; our military spirit is to be preserved. It is alleged on the Government side that peace is not permanently established in the world, and that as long as the Central Powers have not abided by their obligations under the treaties, we must, as the other allies, have an army on land and sea, which must cost enormously.

These are but pretenses suggested by the Government as a justification for most absurd expenditures which are condemned by the people. Let us examine the situation, and let us try to find out whether there is any real need for such military expenditure in order to insure the carrying out of the Peace Treaty or the defence of our country against all possible aggression.

To begin with, we have won the war, and our enemies, vanquished and crushed, have on their knees begged for peace from the Allies. In order that this peace be genuine, arms were surrendered and the Imperial armies disbanded. I do not know that any of the allied countries has found it necessary to organize its army and to increase its war budget, with the sole object of forestalling a sudden attack from the disarmed common enemy, nor that it ever was, since the armistice, the desire of the Supreme Council of the League of Nations to henceforth cover Europe with permanent military camps. Was it not the object of the war to crush the monster of militarism? Hear the memorable words of a thinker: "This war is going to kill war."

Have we already forgotten how England rose in its might, in 1914, to protect Belgium's neutrality which Germany despised and would have cast to the winds as she would a scrap of paper; to disarm the Germans and protect the smaller Christian nations against the brutal axiom: "Might is right."

When victory came, the allied nations wished by a memorial, to commemorate in a permanent way the re-establishment of a long-lived peace, and with this end in view the League of Nations was formed. Our young country has the honour of sending representatives to the conference of this League of Nations; Canada will be represented as a nation alongside of our Mother Country, her voice is heard; she is listened to with respect. Does she not speak in favour of a reduction of armaments. It is important that the military policy of the Government should permit them to say that the Dominion of Canada is in favour of disarmament. Do not the great sacrifices, both in men and in money, which Canada has made for the war, call imperiously on her administrators to secure peace throughout the world by means of disarmament and by the compulsory arbitration of all disputes which may arise between nations?

It is Canada's duty to reduce as much as possible her expenditure for armies, both on land and sea. It is equally Canada's duty, as the oldest and most powerful British colony, she who is recognized as a nation, to declare herself by word and deed in favour of disarmament, the abolishment of the military system, the respect due to small nations, to minorities and proclaim the triumph of civilization and right. After all, why should we have an army? Were we an independent nation, had we any aspirations towards playing a part in the world, I understand that our national dignity would require that we make the necessary sacrifices for the maintenance of an army. But, we are only a British colony, and though we enjoy, it is true, a beneficent autonomy, we are nevertheless gloriously held by the colonial bond.

An independent nation may have to maintain an army for three reasons: First, to protect her independence; secondly, to assure her national development; thirdly, for the maintenance of order and peace.

During this debate some one suggested that an army would be needed to defend our territory. It is assuredly not when we are celebrating the centenary of our friendly relations with our good neighbours of the American Republic, that we will think of erecting forts near the 45th parallel. Moreover, these militia expenditures which are totally unwarrantable for the very reasons which I have just mentioned, could not be undertaken on account of our financial situation.

The Minister of Finance has admitted that the national debt now amounted to $2,350,236,700. Last year, when he presented his financial Budget, he assured the House and the country that not only would the debt not be increased but that it would be reduced. Yet, the present year has seen an increase of $101,368,077 in our national debt. If we consider the reasons for this increase in our national indebtedness we come to the conclusion that it is due to the administration of a Government which, under several names, have been in power since 1911, and more particularly to their policy of participation in the European war and their railway policy. Let us subtract from the expenditure for the last fiscal year $212,000,000, which represent our war outlay and $13,000,000, representing our railway expenses, and we shall have a surplus.

What will be our financial position next year? It is easy to foresee, as does the Minister of Finance, that we shall still have a larger deficit. There are no new taxes to fill in the ever increasing gap in our Budget. Last year, we had to pay $140,000,000 interest on a revenue of $432,000,000. This year, we shall have to pay the same interest on a revenue which has been reduced to $372,000,000. The expenditure shall be $600,000,000 approximately. How can we meet such a deficit?

I would like to conclude these remarks which have been suggested to me by the sad position in which we are placed financially, by quoting a writer of the present time:

> The speech delivered by the Minister of Finance is anything but encouraging. We should not be astonished. Are we not governed at present by Mr. Meighen, he who was ready during the war to lead the country into bankruptcy? It was also our Prime Minister, and one must not forget it, who, by a stroke of the hand, purchased the Canadian Northern and the Grand Trunk. It is then but fair that Mr. Meighen be in charge of public affairs at the present moment so that he may witness the effects of his policy. In 1914, our debt amounted to $335,996,850; to-day after these seven years of a Borden-Meighen administration, the debt has increased to $2,350,236,700.

Mr. Meighen's desire has been nearly realized, our finances are in a pitiful state and were it not for the inexhaustible resources of our young country, Canada would be on the verge of bankruptcy. Ever since 1914, we have run from one deficit to another: when shall we see the end? The economists are right when they say that the most powerful weapon given to statesman to repel the disastrous and repeated raids on the public treasury and prevent the disorganization of a country's finances, is the tariff. It is with a view to bringing back confidence among a large section of partisans of the Government and among the people who have at heart the country's interest, that the Government kept on promising for the last few years a general revision of the tariff, so much so, that as soon as the war was over, western members supporting the Government thought it was time to talk about the tariff so as to bring reduction on duties tending more or less to free trade. What was the Government's answer? That they would not revise the tariff? No, but they stated that a general revision would take place as soon as a full enquiry was made throughout the country so as to discover what new needs have arisen from the war. The enquiry took place; the opening of the session was even postponed in order to allow the Minister of Finance to hold meetings in all cities. Now that the Government have all this information, when it is obvious that the majority of the people are in favour of lowering the tariff in the sense recommended by the Liberal party, the Government imbued, as they have always been, with the Conservative and Tory spirit, refuse to grant this popular demand and to revise our fiscal policy. The Government have no right to delay unfairly a revision which they admitted themselves to be necessary. What the people want now is a downward revision of the tariff as recommended by the continuous and traditional policy of the Liberal party. The Government know it too well and this explains why, in this House as well as in their party organs they refuse to discuss this question on its merits. They delight in falsely representing to the country at large that the Liberal party are in favour of free trade, thus seeking to make the electors believe that the discussion is based on free trade versus protection. As regards this last complaint against the Government my conclusion is this: After the solemn promise given the farmers last year; after the commissioners' report to the Minister of Finance on the opinion of the people touching the tariff, notwithstanding the clever but less substantial spech of the hon. Minister of Trade and Commerce (Sir George Foster) I am bound to conclude that the Government is bringing dishonour upon themselves by refusing to revise the tariff in the course of the present session; the dishonour lies in the fact that the Government refuse to keep their word. I join with the farmers in so stigmatizing them.

I am most happy to give my sincere support to the amendment presented by the hon. member for Shelburne and Queen's (Mr. Fielding). It represents faithfully the views of Liberal members of this House, it would receive the whole-hearted support of the majority of the electors, should an election take place, and it is in accord with the best traditions of the Liberal party. Since the large convention of 1893 which took place but a few years before the Liberals came into power, up to the conference of 1919, which will be followed by a similar victory at the next general election, the Liberal policy as regards the tariff has always been the same, unceasingly this policy has been directed towards a downward revision of the tariff so as to help the consumers while it amply provided for revenue. During a period of fifteen years the Liberals have made their country happy and prosperous. To-day I am glad to once more endorse this policy recommended by my party and I shall do so by voting for the amendment.

On motion of Mr. Armstrong (Lambton) the debate was adjourned.

PRIVATE BILLS

LA COMPAGNIE DE TELEPHONE QUEBEC UNION ELECTRIQUE.

On motion of Mr. Steele for the third reading of Bill No. 38 to incorporate La Compagnie de Téléphone Quebec Union Electrique (The Quebec Union Electric Telephone Company)—Mr. Power.

Mr. ROBB: The hon. member for Beauce (Mr. Béland) told me this afternoon that he desired to move a very slight amendment to one of the clauses of this Bill. He is not yet in his seat, and under the circumstances I would ask that the Bill stand.

Mr. ARMSTRONG (Lambton): Mr. Speaker, has the hon. member for Beauce given notice of the amendment? If not, the Bill should not be allowed to stand.

Mr. DEPUTY SPEAKER: The notice required by Rule 112 has not been given. The motion for third reading has been made in the regular way. Is it the pleasure of the House to adopt the motion?

Carried on division.

FROM THE SENATE—SECOND READINGS

Bill No. 147, for the relief of John Wilson.—Mr. Fripp.

Bill No. 148, for the relief of Albert Harding.—Mr. Fripp.

Bill No. 149, for the relief of Thomas Furneaux.—Mr. Mowat.

Bill No. 150, for the relief of Matthew John Scott.—Mr. Best.

Bill No. 151, for the relief of Dora Lucy Bell.—Mr. Mowat.

Bill No. 152, for the relief of Henry Kropp.—Mr. Smith.

Bill No. 153, for the relief of Arthur Daughton.—Mr. Douglas (Strathcona).

Bill No. 154, for the relief of Annie Maude Bell.—Mr. Boys.

Bill No. 155, for the relief of Thomas Henry Foster.—Mr. Rowell.

On motion of Sir Henry Drayton the House adjourned at 11.13 p.m.

Monday, May 16, 1921.

The House met at Three o'clock.

PRIVATE BILLS

FROM THE SENATE—SECOND READINGS

Bill No. 160, for the relief of Edward George Taylor.—Mr. Douglas (Strathcona).

Bill No. 161, for the relief of Margaret Swanston Neville.—Mr. Copp.

Bill No. 162, for the relief of Ernest Lillie Montgomery.—Mr. Fripp.

Bill No. 163, for the relief of Ethel Gordon Wright Ball.—Mr. Fripp.

Bill No. 164, for the relief of Ivan Ignatius Brazill.—Mr. Mowat.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

CIVIL SERVICE MEETINGS IN GOVERNMENT BUILDINGS

Mr. McDONALD:

1. Has any action been taken by the Government during the past year to forbid meetings of Civil Servants in Government offices after working hours?

2. If so, why was said action taken?

3. Has the ruling, if any, been applied impartially to all Civil Service organizations and groups?

4. Have any representations been made to the Government by any Civil Service organization that this privilege of meeting in Government offices be restored to the Service?

5. Is it the intention of the Government to restore this privilege? If not, why?

Right Hon. ARTHUR MEIGHEN:

1. Meetings of organizations of a general character have never been authorized. The practice has, however, grown up in different departments of employees of the department remaining after office hours to discuss matters of interest mutually to such departmental employees. This practice has not been interfered with.

2. Answered by No. 1.

3. Yes.

4 and 5. There cannot be any question of restoring an alleged privilege which has never been authorized.

CANADIAN GOVERNMENT RAILWAYS—VANCOUVER ISLAND

Hon. Mr. REID (Mackenzie):

1. How many miles of railway have the Government built in the Island of Vancouver, B.C., (as an extension of the Canadian National Railway), during the last three years?

2. How many miles of steel have been laid on the same railway in the last three years?

3. What is the total cost of the above extension?

Hon. Mr. REID:

1. No grading done during this period.

2. 72.2 miles.

3. Total cost of above extension during the three years in question was $1,735,748.86.

INCOME TAX

Mr. RINFRET:

1. What is the amount of Income Tax collected for the year 1919?

2. What percentage of such amount has been applied to collection and administration expenses?

Sir HENRY DRAYTON:

1. Collections under Income War Tax Act in fiscal year 1920-21 were $46,381,806.64; of this amount $9,597,211.13 were collections made on assessments based on income for the calendar years 1917 and 1918; $32,685,630.24 for the calendar year 1919, and $4,098,965.27 applying to calendar year 1920. Total collections to date as at May 14, 1921, based on 1919 income, $34,485,640.61.

2. The administration of the Business Profits and Income War Tax Acts is conducted by the Taxation Branch of the Finance Department. The appropriation is voted and spent without allocation to one or the other taxes, as the staff and outlay interlock.

Mr. REID (Mackenzie):

What amount was collected through Income Tax on corporations in 1920-21?

Hon. Sir HENRY DRAYTON: $13,481,809.99, in addition to the collections made under The Business Profits War Tax Act, 1916, and Part One of The Special War Revenue Act, 1915.

EX-MEMBERS OF CANADIAN NAVY

Mr. MacNUTT:

1. Have ex-members of the Canadian Navy the same status as ex-members of the Canadian Expeditionary Force who served overseas?

2. Do they receive the same preference with regard to appointments to the Civil Service?

Right Hon. Mr. DOHERTY:

1. Yes. A member of the Canadian Navy who has served in European or Asiatic waters during the war period has the same status as a member of the Canadian Expeditionary Force who had served overseas.

2. Yes.

RAILWAY STATISTICS

Mr. BUREAU:

1. Are there any statistics kept by any of the departments of the Government as to the amount of freight and passengers carried by the railways of Canada, both the Canadian National Railways and the Canadian Pacific Railway?

2. Are there any statistics as to the number of passengers and number of cars handled by the various railway systems of Canada?

Hon. Mr. REID:

1 and 2. The transportation Division of the Dominion Bureau of Statistics publishes annually statistics showing amount of freight and number of passengers carried by the railways of Canada, both collectively and individually. It also contains complete information as to rolling stock and motive power.

EDMUNDSTON POST OFFICE

Mr. MICHAUD:

1. What was the revenue of the Post Office at Edmundston, New Brunswick, for the last fiscal year?

2. What salary was paid the Postmaster of this office during the same period?

Right Hon. Mr. DOHERTY:

1. $11,389.94.

2. Salary allowance, including $1,054.50 arrears from previous year.. $4,719.50
Money Order Commission.. 317.34
Postal Note Commission.. 8.40

$5,045.24

PIERREVILLE POSTMISTRESS

Mr. VIEN:

1. Regarding an answer by the Minister of Justice on the 11th instant in which is given the reason for the dismissal of Mrs. Boucher as Postmistress at Pierreville, Yamaska County, is it not a fact that the outsider referred to is Mr. Aime Boucher, Liberal Candidate in Yamaska and son of the Postmistress?

2. Is it not a fact that the only accusation against Mrs. Boucher was that she allowed her son to help her sort the mail?

Right Hon. Mr. DOHERTY:

1. Yes.

2. The accusation made against the Postmistress was that she had allowed her son,

the Liberal candidate, to enter the private office where the mails are kept and also to sort and handle mails in violation of the law.

Mr. ARCHAMBAULT:

1. What are the names of the outsiders who have been allowed to handle mail at the Post Office at Pierreville, as stated by the Minister of Justice on the 11th instant lin answer to a question of Mr. Ball, M.P., regarding the reasons for the dismissal of Mrs. Boucher as Postmistress of Pierreville, Yamaska county?
2. What was the exact nature of the reproached acts?

Right Hon. Mr. DOHERTY:

1. Mr. Aime Boucher is the one outsider whom the Postmistress admitted had interfered with the mails.
2. Assisting in sorting and handling the mail.

QUEBEC POST OFFICE INSPECTOR

Mr. BROUILLARD:

1. Who is Post Office Inspector at Quebec?
2. Has an automobile been put at his disposition?
3. If so, what make is the car, and what number?
4. Is it for official use only, or is it to be used by his family and his friends?
5. Is a record kept of the official trips made by the Inspector?
6. Is a record kept of all persons taking passage daily in such car, can the names be obtained, and the mileage each day?

Right Hon. Mr. DOHERTY:

1. S. T. Green.
2. Yes.
3. Reo T 6.
4. It is for official use only.
5. The official trips of all Inspectors are recorded.
6. No.

DOMINION SHIPBUILDING AND REPAIR COMPANY, LIMITED

Mr. PARENT:

1. Has the Government taken control of the Dominion Shipbuilding and Repair Company, Limited?
2. If so, when and on what conditions?
3. How many steamers are under construction in the above-mentioned shipbuilding plant?
4. Has the Government entered into any contract for the completion of the said steamers, if any?
5. If so, with whom and on what conditions?
6. Are the said steamers presently insured? If so, to whom has the premium been paid and what is the amount paid to each insurance agent or company?

Hon. Mr. BALLANTYNE:

1. No.
2. Answered by No. 1.
3. Two.
4. Yes.
5. The Collingwood Shipbuilding Co., Ltd., and the John Inglis Co., Ltd., have contracted to finish the ships and complete and install the engines and boilers respectively on the basis of cost of labour and material which they will have to furnish plus 15 per cent for profit.
6. Yes. Toronto Insurance and Vessel Agency—$4,785.00.

PRINCE RUPERT DRY DOCK ENGINEERING CO.

Mr. PARENT:

1. Has the Government taken control of Prince Rupert Dry Dock Engineering Company, Limited?
2. If so, when and on what conditions?
3. How many steamers are under construction in the above-named shipbuilding plant?
4. Has the Government entered into any contract for the completion of the said steamers, if any?
5. If so, with whom and what is the nature of the contract?
6. Are the said steamers presently insured? If so, to whom has the premium been paid?
7. What amount has been paid to each insurance agent or company in this regard?

Hon. Mr. BALLANTYNE:

1. No.
2. Answered by No. 1.
3. Two.
4. Yes.
5. The Wallace Shipbilding and Dry Dock Company, Limited, has contracted to finish the ships on the basis of cost of labour and material which they will have to furnish plus 8 per cent for profit.
6 and 7. Yes. Johnson & Higgins, New York and Seattle, $9,960.56.

UNOPPOSED MOTIONS FOR PRODUCTION OF PAPERS

Mr. MARCIL (Bonaventure):

For a copy of all papers, documents, correspondence and Orders in Council regarding the control, by the Dominion Government, of fisheries in the tidal waters of the province of Quebec, as well as a copy of the judgment of the Privy Council dealing with this matter.

Mr. MACKIE (Edmonton):

For a copy of all documents, letters, scrip notes, transfers of lands consequent upon such scrip notes, and all and every other documents without reservation whatsoever in connection with the issue of Half Breed scrip to one Elizabeth Hislop.

THE BUDGET

DEBATE CONTINUED ON THE ANNUAL STATEMENT PRESENTED BY THE MINISTER OF FINANCE

The House resumed from Saturday, May 14, the debate on the motion of Hon. Sir Henry Drayton, Minister of Finance, that

Mr. Speaker do now leave the Chair for the House to go into Committee of Ways and Means, and the proposed amendment thereto of Hon. W. S. Fielding.

Mr. J. E. ARMSTRONG (Lambton East): Mr. Speaker, representing, as I do, a constituency in Western Ontario, and after listening to the doleful tale of woe which was told by the hon. member for North Essex (Mr. Kennedy), on Saturday last, I feel it is my duty to participate in this debate and to show, to some extent at least, the need of supporting a policy such as that proposed by this Government. If you will draw a line through Toronto, north to lake Simcoe, you will find that west of that demarkation there are constituencies represented in this House by forty-two hon. members. Fifteen hundred thousand people live in that locality, the assessed value of their property amounts to over one thousand millions of dollars. More industries are there located than are to be found in all the rest of the Dominion of Canada put together. In western Ontario we have not only a large number of manufacturing plants, but an intensive farming industry. In no place on this continent, is intensive farming carried to the extent that it is in the southwestern part of the province of Ontario. The hon. member for North Essex, who, I regret, is not in his seat, was rather pessimistic in his views as to what we might expect if the Budget presented by the Minister of Finance (Sir Henry Drayton), were carried into effect. That hon. gentleman (Mr. W. C. Kennedy) represents the city of Windsor and the surrounding districts. There are 206 manufacturing plants in his constituency, and yet he is prepared to back up the Liberal policy that would wipe out practically half of those industries if it were put into operation. Let me read a letter which I received from the secretary of the Board of Commerce in that city, so that I may convey to the members of the House some idea of the enormous development in that territory. The following communication reached me on March 11, 1921:

> In reply to your esteemed favour of the 8th, we now have two hundred and seven operating industries at these border municipalities. Forty-four of these came in during 1919, and over thirty last year. Practically all of them represent American capital and enterprise. When running full swing these industries employ nearly twenty thousand workers. As to the development of these communities,—we might say that in the spring of 1918 our collective population was estimated at about forty thousand. As some indication of the phenomenal increase that has taken place since then, we might mention that over thirteen thousand copies are now being delivered daily by the local newspaper to the homes of the Border Cities; and when one remembers the acute housing shortage from which we suffer, it seems fairly safe to adopt the ordinarily accepted average of five people to a home. This will enable you to form your own conclusions as to our present population; and it must be remembered, of course, that our paper is not going to every home, although it does go to most of them. If there is any further information that you may desire, be good enough to let us know.
>
> Yours faithfully,
>
> F. Maclure Sclanders,
> Commissioner.

On the basis of five persons to a family, it will be seen that if 13,000 copies of this newspaper are distributed, the population is some 65,000. This Chamber of Commerce has published and distributed a pamphlet from which I desire to quote an extract. The article appears under the caption: "Rediscovered by American Manufacturers" and is in part as follows:

> Further, business with many British possessions could be more advantageously conducted from Canada than from the United States, owing—among other things—to tariff preferentials granted Canadian products. There were also many other sound and even compelling reasons for the establishment of American branch factories in Canada,—and, especially, at the Border Cities, which are so conveniently close to many very important industrial centres in the neighbouring states. And, so it was that in an astonishingly short time, the string of stagnant hamlets took upon themselves the aspect of a thriving, throbbing centre of extraordinary industrial activity. New factories literally streamed in. For instance, no fewer than 48 of such—large and small—located during 1919; while, for the first seven months of this year, others have established at an average rate of almost one per week. To-day, we have a total of 206 manufacturing concerns, practically all of which represent American capital and enterprise.

The foregoing has reference to the district represented by the hon. member for North Essex. Two hundred and six industries operate in that district by American capital, and yet the hon. member supports the Liberal policy as propounded by the hon. member for Shelburne and Queen's (Mr. Fielding), in the statement which that hon. gentleman made, warning Americans, who might desire to come to Canada to locate and establish factories, thus assisting in the development of Canadian industry, that it would not be to their interests to come here, for, if they did, they might expect little support from any Government in Canada.

An hon. MEMBER: Hear, hear.

Mr. ARMSTRONG: Did I hear some one say "hear, hear" in reference to that statement? Mr. Speaker, I cannot believe that any Government that might come into power in Canada would dare to tear down the tariff wall and wipe out industries that have been so successful in developing our natural resources and the trade of our land. The hon. member for North Essex, however, not only takes that position; he objects to this Government taking into consideration the fact that the anti-dumping clause will protect the manufacturers and further their interests. He says that there is unemployment in his city, some of the factories being shut down. I wonder whether he reflects that a great deal of that unemployment may be due to the fact that manufactured goods are coming into Canada from other countries which are turning out their products and shipping them into this country at below the actual cost of production. I wonder whether that hon. gentleman is aware of the fact that millions of dollars' worth of manufactured goods have been shipped into Canada during the last few months, below the actual cost of production, in the countries from which they come, despite the anti-dumping clause. This anti-dumping policy is worthy of the support of every member of the House, and of the member for North Essex in particular.

Then my hon. friend found fault with the exchange situation as it affects Canada. What about the exchange? Do we want, as a people, to allow manufactured goods to come into this country from Germany, where the mark that was worth twenty-three cents before the war is to-day worth only one and a half cents, and where they are paying their labour on that basis? Does he want goods to come in from Italy, where the lire, worth twenty cents before the war to-day is only worth five or six cents? Does he want goods to come in from France where the franc has fallen in value, or from Great Britain where the sovereign has depreciated? In those countries they are manufacturing goods at the lowest possible cost, and it is up to the Finance Minister of Canada to see to it that the interest of the manufacturers of this country are considered in connection with the question of exchange. Now I claim that when we are looking after the interest of the Canadian manufacturers we are helping to develop our cities and towns, and our home market. In turn the people of Canada will be able to consume a large portion, at least, of the products of our farmers.

The hon. member for North Essex pointed the finger of scorn at the Minister of Militia (Mr. Guthrie) and called attention to the fact that he left the Liberal party and joined this Government in 1917. There is not a member on this side but feels proud and glad to know that the hon. member for South Wellington joined this Government, and assisted in carrying on the affairs of Canada in the able manner in which he has. The question is, did the Minister of Militia do right or did he do wrong in 1917? Is there any question but that he took the right position? All honour to the men who came out boldly and manfully at that time, who left their party and joined the ranks of the Union Government in order that the affairs of the country might be properly administered. I regret indeed that any hon. member should have taken the position which my hon. friend from North Essex took in that regard.

We have in this House another gentleman from western Ontario who represents the county of Kent (Mr. McCoig) in which the beautiful city of Chatham, filled with industries, is situated. That hon. gentleman, along with the hon. member for North Essex, and other members for Ontario, attended the Liberal Convention in 1919, and helped to support the planks in the Liberal platform that would wipe out hundreds of industries in western Ontario—not a doubt about it. One of the planks of that platform is that the principal articles of food shall be placed on the free list. That platform also calls for free trade in agricultural implements. Let us look at the constituency represented by the hon. member for Kent. We find there two large sugar refineries in which are invested nearly $3,000,000. These refineries manufacture the raw material that is grown by the farmers in the western part of the province into the finished product and sell it to the people of Canada. That fact is surely worthy of some consideration. Yet the hon. member for Kent supports the policy of free trade in the principal articles of food, among which sugar surely must be included—he would support such a policy as that. These hon. gentlemen also advocate free trade in agricultural implements. Now there is a large implement factory in the city of Chatham. What would become of that industry if we had free trade in agricultural implements? The Dort Motor Company also have a large factory located in Chatham—are they in favour of free trade in agricultural implements and machinery, which would include everything they manufac-

ture at their plant? There are also canning factories and the tobacco industry in the county of Kent. All these industries need a protective tariff at their back to support them against foreign competition. Yet my hon. friend supports the Liberal platform which would throw the Canadian market open to foreign competition. A little further east is the county of Middlesex. My hon. friend who represents West Middlesex (Mr. Ross) has in his constituency large fruit areas, canning factories, wood turning establishments, and many other industries. What position is he going to take on this resolution? What position did he take in 1919? Why, he attended the Liberal convention and supported the resolution that would place the products of the bulk of these industries on the free list. A little farther east is the city of Kitchener. There you will find many other factories, and in the neighbourhood a big sugar refinery which takes the beets grown by the farmers and manufactures sugar from them. What position is my hon. friend from North Waterloo (Mr. Euler) going to take on this resolution? I ask the same question with respect to my hon. friend from East Elgin (Mr. McDermand)? I am glad to see the hon. member for that constituency in his seat. He is generally there; he is a good and faithful attendant at the House and a good citizen. I had the privilege of doing what I could during the space of a couple of weeks to show the people in his constituency that they should support the present Government. Let me tell hon. gentlemen two or three things about that constituency. We have heard a good deal of talk about East Elgin and what wonderful things were accomplished in the by-election there, but let us look at the facts. In round figures there are 13,000 voters in the riding of East Elgin, but there is only one town in the constituency—the town of Aylmer with 2,700 inhabitants and two or three small villages, none of them having a population over 300 persons. Of the total number of voters more than 10,000 live in the country districts; but notwithstanding that the representative of this Government was able to come within 200 odd votes of defeating my hon. friend. When people talk about this Government and the great defeat it received in East Elgin they should remember the foregoing facts. Now, my hon. friend was hardly elected before certain representatives from that riding—including gentlemen connected with the canning industry—who had voted against the Government went to London when the Tariff Commission sat there last year and pleaded with the Finance Minister to keep the duty on the products of these industries in order that they might carry on. My hon. friend knows full well that if the milk condensery and the canning factory in his riding were wiped out, the value of the farms throughout the district would be materially reduced. He knows full well that the canning factory distributed hundreds of thousands of dollars amongst the farmers of East Elgin, and that the milk condensery paid out over $900,000 for raw milk that was manufactured into condensed milk, and distributed throughout the country. I am merely making these statements to show that in that western part of the province—and I am sure that the same principle applies in many other districts throughout the Dominion—it is impossible for the people to accept the policy of free trade in fruit, in agricultural implements, in food products, and in dozens of other products such as are named in the platform of hon. gentlemen opposite.

Then I might turn to my good friend from West Lambton (Mr. Pardee). As he is well aware, the beautiful city of Sarnia is filled with factories, and the Board of Trade are urging Americans to cross the border and locate more factories in order to still further develop that city. Among its industries is a large plant manufacturing threshers and tractors. This industry and other industries would be wiped out if the policy enunciated by him and his colleagues in 1919 should be put into effect. For instance, in his city is an oil refining plant, the largest in Canada, erected at a cost of $2,500,000 or $3,000,000. The policy of his party and of the Agrarian group is to place lubricating, fuel and illuminating oils on the free list. Crude oil and gasoline are already exempt from duty. What else would be left to keep that refinery going if the free trade policy were in operation? And yet that one company alone has invested over $20,000,000 in refineries and stations throughout the Dominion. Unquestionably they would not operate in this country if you took away the little protection they now enjoy. It is apparent that many of our industries cannot possibly carry on without reasonable protection. I am not a high protectionist, far from it, but I am heartily in support of the policy of moderate protection enunciated by this Government, and I favour the Budget presented by the Minister of

Finance in support of the policy which we on this side of the House advocate.

Now, a word or two about my own constituency. In it there are fifty-one industries, twenty-one of them being entirely separate and distinct in their organization. Do my hon. friends of the Agrarian party expect me to support their policy? I cannot do it. Do hon. gentlemen opposite expect me to support their policy? If I gave it my endorsement I would simply have to go back to my constituents and tell them what I told them last year, that over half of their industries would be wiped out if the policy of the Liberal and the Farmers party were put into effect.

Mr. GAUVREAU: They would not believe you at all.

Mr. ARMSTRONG (Lambton): My hon. friend says those industries would not be wiped out. That was the cry in 1906. But he and his party have a definite tariff policy, and its effect on my riding will be evident when I read this passage from the resolution on the tariff adopted at the National Liberal Convention of 1919:

> That to these ends, wheat, wheat flour and all products of wheat; the principal articles of food; farm implements and machinery; farm tractors, mining, flour and saw-mill machinery and repair parts thereof; rough and partly dressed lumber; gasoline, illuminating, lubricating and fuel oils—should be free from customs duties—
>
> That a revision downwards of the tariff should be made whereby substantial reductions should be effected in the duties on wearing apparel and footwear—
>
> That the British preference be increased to fifty per cent of the general tariff.
>
> And the Liberal party hereby pledges itself to implement by legislation the provision of this resolution when returned to power.

There is no question of doubt in my mind that if the Liberal party were to carry that policy into effect it would not only wipe out practically half the industries in Ontario, but it would also materially affect every industry in the sister province of Quebec. Hon. members from that province know full well that in supporting such a policy they are not acting in the best interests either of the people of their province or of the people of the Dominion generally, and I hope that when opportunity is given to the electorate of that fair province they will come out manfully and decisively in support of the protective tariff enunciated by this Government. We have 18,000,000 horse-power of electrical energy available, of which 14,000,000 is going to waste to-day. How are we going to develop that 14,000,000 horse-power unless we encourage the establishment and development of industries that will use our raw materials and carry on a variety of manufactures? We have the second largest coal area of any country in the world. How can we develop it unless we take an active interest in a policy that will ensure a reasonable amount of protection to our industries? Why do American industries come to Canada? Not only for the purpose of taking care of their Canadian business, but in order that they may develop trade with the Motherland and our sister Dominions.

I wonder if we appreciate the enormous natural resources this country possesses? The output last year of our mines was over $400,000,000; of our forests over $182,000,000; of our fisheries over $60,000,000. Our farming industry produced over $2,000,000,000 worth of products. But it must not be forgotten that our manufactories produced goods to the value of $2,700,000,000. Surely, they are worthy of consideration, and I ask hon. gentlemen on both sides of the House to give this question their very earnest consideration, feeling sure that if they do they will support the policy enunciated by the Minister of Finance in the Budget which he has presented to this House.

Mr. J. E. PREVOST (Terrebonne): (Translation.) Mr. Speaker, neither the speech of the Minister of Finance on this deficit-laden Budget, nor after all the speech from the Throne at the beginning of the session, were calculated to comfort public opinion.

If it be true that nations have the governments they deserve, Canada must be very guilty indeed to be deserving of the Government which gives itself airs under her eyes, gorgeously adorned with the name of National, Liberal and Conservative government, a compound name for a composite government having no authority nor cohesion, a name which has no meaning at all because it is intended to mean too many things. This so-called National, Liberal and Conservative government wearing that name as it would a patch-work recalls to memory that vaudeville character who sings on a lively tune: "A proof that I am something is that I do not know what I am."

How distant are the glorious days of the mighty Conservative party under the leadership of Cartier and Macdonald! That political party has passed through all the stages leading to its downfall. To mention but three of those stages: in 1911, Conservatives came into power by de-

nouncing reciprocity formerly advocated by Macdonald; in 1917 they throw to the dogs their old name, become "unionists" and seize power by means of an electoral plunder which will forever defile the memory of that party; and in 1920-21, the former Conservative party has completely degenerated and is totally in the hands of the Tory element, which under a spurious label seek to put the public on a wrong scent.

Divided, subdivided, torn apart and indifferently mended, the Government show themselves absolutely powerless to direct Canadian politics with foresight and firmness. Tossed about by endless eddies, the ship of state has, in three years, completely changed its crew, and its new pilot will not be equal to prevail against the storm which is brewing outside, nor able to long impose his authority over his immediate surroundings.

I know that the Prime Minister has audacity, and that he is capable of using the whip to tame those who dare raise their heads; he will cut to the bone. He is of those who cut the Gordian knot instead of untying it. But cutting is not enough, there is also splicing to be done. The Prime Minister does not seem to me particularly qualified to group around himself goodwill and tried talents desirous of directing and hastening, in a warm atmosphere of union and co-operation, the economic uplifting of our country.

The contact with the electors, in the course of the last months, has shown this Government, born from the tricked ballots of 1917, that they do not possess the confidence of the people. And there is no wonder in that, for this Government, in spite of all the false faces they put on are nothing but the Government of National Distress.

And, to begin with, can we feel safe as to the administration of our finances?

We are in the midst of a financial crisis, a great part of the responsibility for which is due to the Government. No doubt the war has brought about large expenditures and entailed heavy burdens. But the war is not the only cause of our financial disorder.

Let the Government search their conscience if they have any. Scandalous contracts have enriched favourites of the ministers. With their profiteers of all typ s; hoarders, bloated capitalists, speculating shareholders, they have cost millions to the country. These parasites have lived upon the Unionist Government like all parasites feeding upon the beast they cling to.

We have seen the Government embarking upon a ruinous railway policy. Instead of firmly pursuing a programme of restoration of our finances, the Government has delighted in their lack of foresight. Hundreds of millions have been added to the already heavy liabilities of the country by the purchase of the Canadian Northern, by the purchase of the Grand Trunk,—condemnable measures which have been blamed by the serious business men of the country without party distinction and by the boards of trade of our largest cities.

The nationalization of the railways has entailed upon our Budget an ever-increasing annual deficit; a deficit of 40 millions in 1919, of 70 millions for the last twelve months, and which the Minister of Railways foresees will be of 100 millions at the end of the present fiscal year.

Sir Robert Holt, president of the Royal Bank of Commerce and Sir Vincent Meredith, president of the Bank of Montreal, recently advised the Canadian Government to renounce their public ownership policy and to take necessary steps to return the railways to their former owners.

Lord Shaughnessy himself has just advised the Government to abandon the direction of affairs which ever-increasingly deepen the abyss of our deficits.

To its already grave faults the Government still added others: for instance, in bringing from the United States self-styled experts to reclassify our Civil Service; experts who only bungled the former classification, and who cost us hundreds of millions of dollars.

The trade commission which was the charnel-house of all the claims of the consumers against the high cost of living, cost the country $25,000 a year.

Last session, the Government caused to be voted for military purposes, the sum of $12,000,000; this year they again claim $11,890,000 for militia and yet the war is over.

I neglect many instances and some of the worst. The Government indulges in this financial debauch at a time when our finances are in a pitiable state.

In 1914, our expenses were $127,384,473; in 1920, they reached $533,000,000; in 1921, they will come up to $591,500,000. The debt of the country, which, in 1914, was $335,-996,850, that is $43 per capita, amounts in 1921 to $2,350,236,700, or $284 per capita.

Although in 18 years, from 1896 to 1914, the public debt increased to $77,000,000

from 1914 to 1921, in seven years, it rose to $2,000,000,000. The interest on the debt, which in 1914 was $14,752,117, amounts to-day to over $140,000,000 yearly. We had, in 1914, a surplus of $35,000,000; our deficit in 1921 was $220,000,000. For 1920 only the debt has increased to $101,-368,000. The Minister of Finance has declared with a cheerful mind that the total trade has increased from March, 1920, to 1921. It is true, but we must remember that our imports have increased by $175,000,000, while our exports have been reduced by $25,000,000.

The minister further states, in this House, with a smile of self-satisfaction, that our revenues, which were $349,000,000 on March 31, 1920, have reached $432,-000,000 in 1921; but only for war taxes of all kinds, we have paid within the last 12 months $170,000,000.

When the Government claims a surplus of $69,000,000 over the ordinary expenses, they omit to say that they include in their receipts those extraordinary revenues derived from war taxes and amounting to $170,000,000.

Without any additional taxes for the 12 months from April 1, 1921, we would have to meet foreseen expenses of more than $591,000,000, receipts reduced to $375,000,-000. Consequently, we would have, notwithstanding a deficit of $101,000,000 during 1919-20, another deficit amounting to $219,500,000, on March 31, 1922. Our national railways alone are to absorb over $165,000,000. The condition is such that provision must further be made for new taxes. Besides those $163,000,000 which our people have paid up in 1919 in custom duties; besides those $37,200,000 which they have contributed in excise duties, this Government has collected the following taxes:

On business profits	$40,000,000
On income taxes	46,500,000
As war-tax of the Inland Revenue	79,050,000
As well as other war taxes	2,355,000

It is according to those figures that we must judge of the evil deeds of the Government who, after having dragged us into debt beyond all measure, refuse to make the necessary economy to balance our finances and to carry on economic uplifting of the country. Far from that, the Government are taxing the people. The enormous fiscal effort asked from the Canadians will not give the results expected, if the Government does not cut down with a firm hand the useless expenses. In other words, the one remedy for the present conditions is to practice a wise and strict economical hygiene.

The Government, it is true, says that they are willing to economize, and are doing away with certain expenses; but let us make a distinction. Our ministers who talk about economy have mostly in mind the retrenchments to be effected in the present service, namely in the staff of the civil servants, and specially the mean reduction of their bonus, etc. But, those reforms are but slight economies. Moreover, it must be admitted that those who are in need the most amongst civil servants are not, as a rule, paid as they should be, if a decent living is to be guaranteed to them.

What I am censuring are the extravagant expenses of the trading and industrial Government. They have ventured into railway enterprises; the systems which they operate show a deficit of $70,000,000.

Not having profited by that disastrous experience, they now want to hazard themselves into a Government merchant marine, and, although they have asked us for that $20,000,000, last year, they want to spend this year $8,330,000 more.

What about our military expenses which, in peace times, amount to $12,000,000 each year! The Government have no right to be extravagant, and they are, when they make a gift of $25,000,000 to the provinces in order to build healthy houses, and another gift of $20,000,000 in order to improve the highways; when they spend annually $12,000,000 for militia; when specially, they grant $28,000,000 to a merchant marine, what are they going to answer when we ask them where all these millions will be derived from, when the Budget shows a deficit of $220,000,000?

It is quite plausible to give some explanations about different increases in the expenses. But there is a fact of the utmost importance, and it is the necessity of remedying our financial distress. It is a crime to increase by many millions the national Budget for new and dangerous undertakings. It is a mad ride towards bankruptcy.

Mr. Speaker, in these difficult times I have no confidence that the Government, with its bad antecedents, will adopt a consistent policy of economy, will equitably assess the taxes and seriously help the nation to recuperate.

The Government with which we are afflicted, is also the Government of National Distress, born of imperialism.

It must be remembered, Mr. Speaker, that the leader of this so-called National-Liberal-Conservative Government is the averred Imperialist who wanted to lead Canada to ruin for the benefit of the Empire, and that he has come to power just at the time when the policy he wanted and inspired is dragging our country to ruin.

I do not want to reopen a question which belongs to the past and which remains a badly closed-up wound. If I recall the lamentable conscription law, it is only with the object of connecting it with the Imperialist policy which has always been that of the Tories, and which is consequently the policy which prompts the present Government.

Many times we have proved that the voluntary enlisting was sufficient to maintain the four Canadian divisions at the front; but this was not the object of the measure, which so unfortunately divided the nation; its object was Imperialistic. As the tribute of $35,000,000 which a Tory Government wanted us to pay to England, conscription was an acute manifestation of British Imperialism, which tends to make of colonials, not citizens but subjects taxable in money and labour at discretion.

I will not insist upon a point which impartial history will bear out. Let me only observe, Mr. Speaker, that in Australia, conscription was viewed from the same angle as by the Canadian anti-conscriptionists, and was twice rejected there. It is important to recall these facts on the eve of the London conference to which the Prime Minister is so anxious to go.

If on October 28, 1917, the referendum before the people in Australia rejected Mr. Hughes' proposition about conscription, it was not due to lack of patriotism on the part of Australia; in that country as well as in Canada, the opposition to conscription was a protest against an Imperialistic tendency.

It behooves us in reality to understand the facts. In Australia, conscription or obligatory military service, had existed several years, since January 1, 1911, for the defense of the confederate states. In 1917, Mr. Hughes, the Prime Minister of the Federation, proposed to put the military forces of Australia at the disposal of the Government for the purposes of the war and wherever it would be thought useful to send them. This is the wording of the question submitted to the people:

> Are you of opinion that, in view of the present grave circumstances, and for the duration of this war, and in respect of the requisition of personal military service outside the territory of the Commonwealth, the Government should be invested with the same powers as they already have in respect to military service within the limits of this territory?

The result was negative.

It must be noted, Mr. Speaker, that the question to be voted upon was in effect:

> "Do you wish that conscription which already exists for the defence of the territory be utilized for a war outside of Australia?"

The Australians considered that Mr. Hughes' proposition would only result in favouring Imperialism. That is why, Mr. Speaker, I thought it proper to quote the example of Australia. If I referred again to this measure, it is that in Canada as well as in Australia, it was an Imperialist movement. It was an attempt to finally and bindingly engage Canada in the war ventures of the Empire.

Now, the leader of the present Cabinet was the brain of the Borden Government that decreed conscription. The motto adopted by the present Prime Minister was "to the last man, to the last cent," in a war in which Canada's share should have been strictly limited to its national interests.

The party which now governs Canada is neither Unionist, nor Liberal, nor Conservative, nor National; it is the Tory party in which the mischievous element of Imperialism is preponderant

There is in your country a spirit which is not Canadian, for there is here a dynasty which comes down in direct line from the old Tories who played such a pernicious part in our history. In their minds the British Empire is to be an omnipotent state, its rights ever increasing while the rights of the individuals of the Canadians are reduced to naught.

They seek to domineer over our politics and to create a point of view as false as it is anti-national. In other words, the jingo-Tory-Imperialist element wish to change our political course, and suppress the Canadian feeling, replacing it by British pride.

It is to be feared that the Prime Minister may belong to this family; he has given proofs of this already. If we do not care to see him leave for London, it is because we dread the day when he returns. We fear that, because of his imperialistic feelings, his sojourn on the banks of the Thames may be to the detriment of Canadian interests. We fear that he may return from overseas entrusted with the mission to

make us endorse such agreements as we might regret.

We ask the Prime Minister to adopt, first, a Canadian policy which he will preach and extol until it triumphs both here and in London. And he may find a splendid example in another Canadian Prime Minister who represented our country, in the very heart of the Empire, at several intercolonial conferences. May the present Prime Minister who will leave in a few days for England take example on the irreproachable attitude taken by Laurier, the illustrious son of Canada, a loyal subject of the British Empire, if ever there was one, and who, yet, never let another country take precedence over his own in his affections.

Face to face with the Imperialist doctrine stands the Canadian doctrine. Laurier had chosen the latter and was faithful to it to the last. In so doing, he was undoubtedly guided not only by his sincere patriotism but also by a clear-sighted love of the British Empire.

On each of his voyages to London, at each one of the intercolonial conferences which he attended, he had to choose between two tendencies: the Imperialist and the Canadian. He declared himself decidedly in favour of the Canadian.

On the eve of the conference of the Prime Ministers of the Empire which will be held in London and which the Canadian Prime Minister will attend, it is well to remember how, in the past and under similar circumstances, a great Canadian checked Imperialism.

Let us first take the Intercolonial conference which was held in 1902. So as to convince one's self of the energy displayed by Sir Wilfrid Laurier on this occasion, one need but glance at the official documents concerning the colonial conference which was held in 1902.

The principal questions which were discussed at this conference were: the political and the trade relations of the Empire and its naval and military defence.

We know that Laurier, so far as our political relations were concerned, would not even entertain the idea of possible changes in the existing situation. The conference passed only the practically meaningless resolution to hold, at least every fourth year, colonial conferences of the same kind as that of 1902.

As to our trade relations, our Canadian ministers endeavoured with care, but also very clearly, to make England understand that the preferential tariff which she had obtained from Canada deserved that the latter country in turn be granted privileges on the British market.

But when Chamberlain showed his ill-will by not admitting that we were entitled to privileges for lowering our tariff—how quickly did he then change his mind!—the Canadian ministers had let it be understood that it might be possible to increase certain duties in favour of British goods, but, they said that, if after all these efforts to obtain a change in the tariff, the Canadian government found out that the policy of a mutual preferential tariff did not suit the colonies or England they would consider themselves free to adopt such measures as they thought proper.

On this point as well as on the other, Laurier stood for Canada, and he took great care not to take the least step towards this Imperialism by which Chamberlain tried to dazzle the colonial political chiefs. But it is mostly the question of naval and military defence which casts the greater light on the brave attitude taken by Sir Wilfrid Laurier and his ministers at the conference in 1902.

Let us first take the military defence. It had been suggested that the conference pass a resolution by which each colony would have pledged herself to maintain "a military reserve for duty, in case of necessity, outside of the limits of the colony where the said reserve would have been organized". While the representatives from the Cape and from Natal were quite willing to accept the policy proposed by Mr. Seldon, and by the war secretary, and favoured by Mr. Chamberlain, the Canadian representatives, according to the official report of the conference, thought it would be better to improve the military training of the troops, organize the service and complete the necessary equipment for the mobilization of a field army, whilst the colonies would have the right to determine, when occasion would arise, how and to what extent they should help.

It meant that they refused. In order to be fully understood, our representatives added that " to organize a military force specially for the service of the Empire and practically under its control, would be to give up a prerogative which the colonies enjoyed." I ask you if that was not a strong claim of our rights as a Dominion.

Let us see now what took place about naval defence. On that issue, Laurier had a great deal to do so as not to be influenced in favour of a direct Canadian

contribution to the British navy. We notice that at the conference, in 1902, every British colony, except Canada, accepted to share in the expenditure for the naval defence of the Empire. The Cape Colony, Australia, Natal, Newfoundland, New Zealand were willing to make a direct contribution to the Imperial navy. Canada was the only one to refuse. Laurier needed a wonderful strength of mind to keep his ground against the Imperialist infatuation of all the colonies put together and the pressing requests of Chamberlain and the First Lord of the Admiralty.

In the proceedings of the conference, page 18, we find the following remarks made by Lord Selborne, First Lord of the Admiralty:

"Sir Wilfrid Laurier informed me that His Majesty's Government of the Dominion of Canada are comtemplating the establishment of a local naval force in the waters of Canada, but that they were not able to make any offer of assistance analogous to those enumerated above".

Moreover in a memorandum which they submitted to the conference respecting the defence of our country, the Canadian ministers, as reported on page 73, said:

"The Canadian ministers regret that they have been unable to assent to the suggestions made by Lord Selborne, respecting the Navy and by Mr. St. John Brodrick respecting the Army....." "The acceptance of the proposal would entail an important departure from the principle of Colonial self-government...." "While the Canadian ministers are obliged to withhold their assent to the propositions of the Admiralty and the War Office, they fully appreciate the duty of the Dominion, as it advances in population and wealth, to make more liberal outlay for those necessary preparations of self defence...." "At present Canadian expenditures for defence services are confined to the military side. The Canadian Government are prepared to consider the naval side of defence as well...." "They have the strongest desire to carry out their defence schemes in co-operation with the Imperial authorities, and under the advice of experienced Imperial Officers, so far as this is consistent with the principle of local self-government."

Therefore, at the conference of 1902, Laurier and his ministers resisted all the Imperialist propositions made by Mr. Chamberlain and of his colleagues. Their firm attitude did not seem satisfactory to the Imperialists, but the very great majority of the Canadian people recognized that Laurier had done his duty as a Canadian statesman.

[Mr. Prevost.]

The same thing occurred at the Colonial Conference in 1907, when Laurier kept all Imperialists schemes at bay. Among the questions raised on that occasion, we notice the following which was submitted by Dr. Smartt, a representative of Cape Colony, on May 9, 1907:

Dr. Smartt:—Would I be in order in moving this Naval resolution after the discussion yesterday. I do not think it will take any time, because it is a resolution which requires no remarks to make it acceptable to the conference. "That this conference, recognizing the vast importance of the services rendered by the Navy to the defence of the Empire and the protection of its trade, and the paramount importance of continuing to maintain the Navy in the highest possible state of efficiency, considers it to be the duty of the Dominions beyond the seas to make such contribution towards the upkeep of the Navy as may be determined by their local legislatures—the contribution to take the form of a grant of money, the establishment of local naval defence, or such other services, in such a manner as may be decided upon after consultation with the Admiralty and as would best accord with their varying circumstances".

"I do not think anybody can take exception to the resolution."

"I will content myself by simply moving the resolution, which I hope will be acceptable to every member of the conference".

This is what Sir Wilfrid Laurier replied:

"I am sorry to say, so far as Canada is concerned, we cannot agree to the resolution. We took the ground many years ago that we had enough to do in our respect in that country before committing ourselves to a general claim. The Government of Canada has done a great deal in that respect. Our action was not understood, but I was glad to see that the First Lord of the Admiralty admitted we had done much more than he was aware of. It is impossible, in my humble opinion, to have a uniform policy in this matter: the disproportion is too great between the Mother Country and the Colonies. We have too much to do otherwise. In the Mother Country, you must remember, they have no expenses to incur with regard to public works; whereas in most of the Colonies, certainly in Canada, we have to tax ourselves to the utmost of our resources in the development of our country, and could not contribute, or undertake to do more than we are doing in that way. For my part, if the motion were pressed to a conclusion, I should have to vote against it."

And the Smartt resolution was withdrawn.

This marked another triumph for Laurier as against the Imperialistic tendencies.

It was in the course of this 1907 conference that Laurier described the relations between the colonies and England by this

happy formula which amounts to a doctrine:

"Imperial unity through local autonomy."

Let us now examine the 1909 conference. In a message addressed by the English Secretary of State to the Governor General of Canada, on April 30, 1909, to convene an Imperial Conference for July of the same year, it is stated:

The object of the conference would be to discuss the general question of naval and military defence of the Empire, with special reference to the Canadian resolution (that of March 29, 1909) and to the proposals from New Zealand and Australia.

The Governor General answered on May 5, 1909, in the following terms:

Your telegram of April 30. Ministers wish to point out that views of Canadian House of Commons on the question of naval defence have already been expressed, and, in pursuance of resolution of that body, two ministers, as already announced, will shortly go to London to discuss with Admiralty best method of carrying out that resolution. My ministers have not sufficient information to warrant them in advising as to necessity for such a formal conference as that suggested, but there would be no objection to postpone visit till July so as to suit convenience of Imperial Government.—Grey.

It means that Laurier, in 1909, did not care to engage his Government in an Imperial Conference where it was proposed to study a scheme of naval defence likely to go further than the limits set by the resolution passed by the Canadian Parliament.

At the Intercolonial Conference of 1911 Laurier did again oppose the Imperialism, this could be seen in the following resolution presented by Sir Joseph Ward, Premier of New Zealand, on May 23, 1911.

In concerns the establishment of an Imperial Council, and we find the text of that resolution at page 40 of the report. Here it is:

"That the Empire has now reached a stage of Imperial development which renders it expedient that there should be an Imperial Council of State, with representatives from all the constituent parts of the Empire whether self-governing or not, in theory and in fact advisory to the Imperial Government on all questions affecting the interests of His Majesty's Dominions oversea."

In the course of the debate following the presentation of that resolution, on May 25, Sir Wilfrid Laurier expressed himself as follows (page 73 of the report):

"What Sir Joseph Ward proposed is not an Advisory Council; it is a legislative body to be elected by the people of the United Kingdom and the Dominions beyond the seas—a legislative body, I say, with power to create expenditure and no power to create revenue. Now, if there is one system which I think is indefensible it is the creation of a body which should have the power to expend at its own sweet will without having the responsibility of providing for the revenue to carry on the expenditure.

"That seems to me at once to dispose of the matter. This body suggested by Sir Joseph Ward would have the power to sit, here in London, or Ottawa, or Wellington, or in Melbourne, for the matter of that, it does not matter, and in its wisdom to say: 'Well, this year the British Empire should spend £2,000,000, £5,000,000, £20,000,000 for defence, to be apportioned so much to the United Kingdom, so much to Canada, so much to Australia, so much to New Zealand, so much to South Africa, and so much to Newfoundland'; and then, as I understand the proposal of Sir Joseph Ward, this would be remitted to the respective governments concerned, and all the governments would be dumb agents to carry out these resolutions. The Chancellor of the Exchequer would simply have to provide so much; in Canada we would have to provide so much, in order that various munitions of war might he purchased, and so in Australia, and so in South Africa, and so in Newfoundland.

"I must say with all respect and due deference to Sir Joseph Ward, the proposal seems to me to be absolutely impracticable."

And Sir Joseph Ward brings down his imperialistic flag when he says:

"In view of the expression of opinion of the members of the conference against the resolution, I think it would be less embarassing for the whole of them, and certainly in accord with my own desire, that I should ask that the resolution, having been discussed, should be withdrawn."

Once again, Imperialism was beaten by the Canadian Premier. This is how Sir Wilfrid Laurier always preserved Canadian autonomy with a jealous care and an energetic will.

On February 3, 1910, he stated in the House of Commons:

I do not pretend to be an Imperialist. Neither do I pretend to be an anti-Imperialist. I am a Canadian first, last and all the time. I am a British subject, by birth, by tradition, by conviction—by the conviction that under British institutions my native land has found a measure of security and freedom which it could not have found under any other regime. I want to speak from that double standpoint, for our policy is an expression of that double opinion. Let me say at once to gentlemen who differ from me, to those who pretend to be Imperialists, to those who pretend that the British Empire must be the first consideration that, in my judgment, the policy which we advocate, the policy which I have the honour to place before the House at this moment, is in better keeping with the true spirit upon which the British Empire was founded, upon which it exists, and upon only which it can continue to exist.

The words and especially the deed of Laurier might be a subject of meditation for the Prime Minister, now that he is on the eve of his departure for London where he will meet the imperialist bull dog which is ever ready to devour colonials.

We liberals wish him to know that we are strongly opposed to the centralization of imperial control and to any organic change in the constitution of Canada, so far as it concerns Canadian relations with the Empire, even after it is passed by Parliament, and before it is ratified by a Canadian vote, by means of a plebiscite. Such are the minutes adopted as the Liberal policy, by the national convention, in 1919.

Besides, as was declared in this House by the leader of the Opposition, on April 27, last, the Liberals, whilst admitting that it may be useful for Canada to be represented at the next imperial conference, object to any decision being taken, during the course of the said conference, which might involve any change whatever in Canada's relations with other parts of the Empire, and they are of opinion that, owing to the present financial situation in Canada, nothing should be done which would be of a nature to involve the country in further expenditure for naval or military purposes.

In assuming this attitude we have been inspired above all things by a Canadian policy, the only one which will uphold the Empire, and will guarantee the survival of Canada and its complete national development.

Let us always have for object and for motto Laurier's splendid formula:

Imperial unity by means of local autonomy.

The hybrid Government who administer the country's business without the support of public opinion are still causing a national distress and they have set the nation at variance.

The truth of this need not be proven; it is written in large type of such size as to cast a shadow on all provinces of the Confederation from ocean to ocean.

The nefarious administration of the so-called Union Government has created a legitime distrust in certain provinces, it is the cause of the farmer's movement, it has irritated the working class, called forth protestations from the soldiers whose anger it has aroused. Never had we seen the country so badly at variance, never had we heard of such disputes.

The Prime Minister has realized how much this distrust, these quarrels have weakened his Government.

Scarcely had he taken the direction of public affairs, when he decided first to smile to the province of Quebec which until then had been denounced, calumniated and brought into disrepute by his friends.

[Mr. Prevost.]

Although certain papers have announced that the Prime Minister's affectionate demonstrations will soon be at an end, it is not yet too late to mention the subject.

As soon as the hon. member for Portage la Prairie became Prime Minister, he declared himself in favour of peace and union; he henceforth uttered only honeyed words, and he laid down the trumpet which had but lately sounded the war cry against us and rallied in a common crusade both orangemen and tories.

The Prime Minister has replaced this warlike instrument by the Pandean pipes and he is trying to tune them to the sweetest melody.

Never have the prairies and the mountains re-echoed with such sweet melodies on the part of the hon. member. Listen to him:

The danger which every nation has to face is a tendency to divide on the point of view of race, religion, social classes and right of opinion. . . .

We ought to set aside all disputes which may exist, all those which do not exist so far as concerns vital questions in the country. There are here two great races. The fundamental Canadian institutions are as dear to the one as to the other. Law and order count as many friends, and there is as responsible a government amongst the French Canadians as there are amongst the English Canadians. Cheer up and get together.

Never have such conciliating words been proffered by the member for Portage la Prairie, during the twelve years that he has held a seat in Parliament.

Until now his conduct has been the very reverse of the fine doctrine which he now adopts, now that he is Prime Minister, now that, to govern, he needs the help of those whom he has always judged and treated so unfairly.

I would like to quote in extenso the "pastoral" speech delivered by the Prime Minister at Portage la Prairie after he had been chosen as leader of the Government; it is remarkable for its soft and lively expression and for its skilful peacefulness.

"Get together," says he. I believe that it is my duty to give the province of Quebec the share to which she is entitled in the Federal Government." He is quite willing that "a moral union be formed amongst those who are right-minded."

With magnificent generosity he proclaims that justice will be done wheresoever it is needed. How pleasant and Virgilian these things are to hear. It reminds us of the first eclogue, where Tityrus eulogizes peace and renders thanks to Augustus.

Deus nobis haec otia fecit. The Prime Minister is that deity, that double face Janus who, for the moment at least, hides his war-like countenance.

Nevertheless these emotions of the member of Portage la Prairie, that have perhaps affected his followers, leave us cold and sceptical. Never shall we forget the bitter feelings of this political man towards Quebec and the wicked deeds he is guilty of against the Canadian nation.

I therefore feel that we should not be lulled into a false security by listening to the soft melody of the chants of this youthful Prime Minister. If only he had been frank; had he only apprised us of his intentions towards national unity, had he but repented, disavowing this pitiless fanaticism, this blind and prejudicial Tory infatuation by which he was swayed in the past, and if he proposed in the future to be of an open mind, to calm the bitterness of his soul, to take as a future guide, thoughts really fruitful and truly Canadian thus doing away with those evil and wicked underlying designs.

Unfortunately the Prime Minister's speeches are but hymns devoted to peace, manifestations without weight deprived of any guaranty. Let him fiddle away, he will not make us forget that he was one of the leaders of that clan who wished to vanquish our race by appealing to the most shameful prejudices, the electoral brigandage which has absolutely destroyed the sincerity at the polls weighs heavily on his conscience. In vain will the leader of the Government assume his most enticing ways to draw us within his enchanting flute, after having battered us and stolen away the country from us by unbridling against us the passions of race and religion, he will not trick us this time.

Many friends and the Prime Minister himself have defied us to state one word which the present leader of the Government has said against the province of Quebec. The hon. member for Beauce (Mr. Béland) took up that challenge here in this House and has rightly said: words count little but deeds speak. We are acquainted with the deeds of the Unionist Government of which the Prime Minister was the inspiring soul. Nevertheless to our opponents' challenge, I will in my turn answer: I defy them to quote one single word of the Prime Minister in defense of the province of Quebec, and protesting against these ignominious slanders of which she was made the target of, for over two years, on the part of the Prime Minister's friends through a bigoted organization closely connected with him, and through a political clan of which he was the moving soul. His declaration of love, to-day, had therefore very little sincerity since he was silent when the Unionist press stirred up the most shameful prejudices against us, calling us Germany's ally and rousing hatred to such an extent as to say that a vote for Laurier, the Frenchman and Catholic, was a vote for the Kaiser.

The Prime Minister approved by his guilty silence this hideous campaign. The French Canadians have a very good reason to prudently keep away. The Borden Government tried to make us forget its wrongs by speaking of war; the Meighen Government tries to make us forget the iniquities committed by the Government during and after the war by talking tariff and the love they bear us. Let us be on our guard lest that such adversaries wish to embrace us so as to better strangle us. Mr. Speaker, we wish the union, and it shall become an accomplished fact as it is already taking place through the country, only that union is taking place not with the Government but against it.

It is true that the allurements of power has bewitched one of ours. A sardonic smile must have come over the Prime Minister's face when he witnessed a chip fall from the solid Liberal block.

The incident has very little importance: the member for St. Hyacinthe (Mr. L. J. Gauthier) notwithstanding his eloquence and his talent will follow inevitably the sad fate of turncoats of all times who are traitors to their friends and throw away their principles; they are at first despised and later cast in oblivion.

It is a sad fate for the one who has just fallen.

However, Mr. Speaker, the tree of the Liberal party is vigorous enough, deep-rooted enough, rich enough in foliage to shed a few dead leaves without being weakened in its sap nor impaired in its splendour.

The tree planted by the fathers of the Liberal party still spreads with marvellous vitality, and will none the less continue to shelter under its vast shade the sound Liberal doctrine, the true principles which should guide Canadian politics, the great ideas of liberty, justice, loyalty and fidelity to the interests of the people, which gave to this country for fifteen years the most prosperous era that it ever knew.

Mr. Speaker, I have wandered in the course of my remarks from the question

which is the immediate object of this debate. I have not to apologize for that since the Budget statement is properly a bid for a review of the general policy of the Government.

In the balance sheet of the state affairs, in the inventory of the causes of riches or poverty, of successes or failures in the administration of public affairs, we should not stop only to consider the financial course adopted by the Administration. Man does not live on bread alone, and besides "a money sore does not kill."

Other wounds, deeper and more serious, afflict us. We should face all realities, and by the side of our financial deficits, we should place, consider and study the shortcomings of the present regime; failure of national spirit, failure of Canadian patriotism, failure of constitutional government, failure of popular confidence, failure of union and harmony between the citizens of this country, all capable of putting in danger the very life of Canada. Should this Government remain long in office this accumulation of defiicits and failures is due to disregard for the sound policy which should make of Canada not only a rich country but a nation, a true nation with its own soul, and conscious of its present duties as well as of its future grandeur.

The failure of the Government is complete and affects the service of the state in all its ramifications.

There is a consoling fact: it is that the country is better than its rulers.

At present, since we are specially considering the fiscal system and the tariff policy of the Government which is at the point of death under our eyes, it seems evident to me that the ministers cannot remedy any of the evils of the country. The Minister of Finance particularly has nothing to offer us but wretched expedients which leave our finances in the same precarious state for which the Borden and Meighen Governments are responsible. Our great steward believes that he has found the solution for the economic problem which alarms all Canadians, when he gives a turn to the screw of the press and makes it yield sixty additional millions this year.

I have never understood the ostrich's method, it hides its head under its wing—and gets killed. Such is the fate awaiting these incapable and imprudent administrators, who believe they can conceal their huge bankruptcy under the dark wing of taxation which they spread over a people already oppressed by the high cost of living.

The Prime Minister delivered in this House on Friday, an aggressive speech which was much applauded by his partisans.

His effort was more an attack against his opponents than a defence of his Government. Our perilous economic situation has no anxiety for him, as he merely referred to it without offering any remedy to the evils from which the country suffers and which the Budget speech sets forth in plain daylight.

He rather applied himself to treating with sarcasm those who oppose his Government. In this the Prime Minister showed himself a better party man than a statesman.

To such a speech was due an obligato accompaniment of frantic applauses from the ministerialists who in him have put all their trust, all their hopes for the putting off of the general elections which are to be their political grave.

The Prime Minister raised particularly the enthusiasm of his followers when he reproached the Farmers and the Liberals with not setting off with more details their tariff platform in the wording of an amendment to the Finance Minister's motion. It hardly behooves the Prime Minister to address such a reproach to the Opposition when the Goverment which he leads are themselves to-day, putting aside the principal measure which they formally announced at the opening of this session. Indeed what do we read in the speech from the Throne delivered on Feb. 14 last, just three months ago.

> My advisers are convinced of the necessity for revision of the Customs tariff. In order to secure the most complete information a committee has conducted an extensive and thorough inquiry, and has secured the views of all parties and interests in every province.

Now the cabinet conceal their intentions, they differ that revision of the tariff which, according to them, was urgent three months ago. Nay, worse, they bring forth as a plea for holding back and for their inaction, that the fiscal policy of Canada must be subordinate to that of the U.S.

The policy of the United States is well known. Why should the Canadian Government put off making their own policy known? They lack dignity, energy and decision when they lay aside, for such a reason, the most important plank in their platform for this session. The real reason of their continuous postponement of the

tariff revision announced by them ever since 1918 is that the cabinet is not unanimous on this question, the Government is marking time, while its ministers are swayed to and fro. Therefore the Prime Minister is very daring when he blames the opposition for not having had the courage to make known their platform with respect to the tariff. He is mistaken if he thinks that he will thereby divert the attention of the public and make them forget the tactics of the Government who, not having the courage to undertake a general and thorough revision of the tariff, nevertheless touch it up on the sly, but always with the tendency to higher protection, thus far from alleviating the burden of the consumer, has the contrary effect of increasing it. They have just given us another instance of that when they decided to increase the sales tax on all imported goods by 1 per cent. This new tax is a sly protection which will increase the cost of living, and which no national industry needed. The amendment which the hon. member for Queen's and Shelburne has moved to the Budget speech shows the direction which should be given our fiscal policy, and I think I shall be fulfilling my duty as a Liberal and as a Canadian by voting for it.

Mr. M. J. DEMERS (St. Johns and Iberville: Mr. Speaker, I regret very much that I am not able to give a fair translation of the speech which has just been delivered by the hon. member for Terrebonne (Mr. Prevost) because I believe that it is one of the best contributions to this debate. I hope that hon. members of this House will take the trouble to read it when it is translated.

The Budget speech, Mr. Speaker, had been looked forward to as the chief matter of importance to be presented to the House during this session. In the speech as delivered by the Minister of Finance (Sir Henry Drayton) there is nothing, so far as I can see, which may be regarded as unexpected, except, possibly, the attitude of optimism taken by the minister, an attitude for which I can discover no good reason. After all, the only substance which can be extracted from the speech is the statement that there is an increase in our statement that there is an increase in our national debt of $100,000,000 and additional taxation. For my part, I do not find very much comfort in that condition. The statement of the minister with regard to the financial and economic condition of the country is of such a nature as to command public attention and thought. It is more and more evident that we are living in a period of emergency, and it is the duty of the representatives of the people to awaken public opinion to the seriousness of the situation. Our financial position, Mr. Speaker, is worse than ever; it is worse than at any time during the war. It is surprising to hear the admissions of members of the Government themselves with regard to our financial troubles and economic difficulties, because such an attitude on their part is not customary. I submit also that we cannot but feel a certain amount of anxiety when some of the most prominent citizens outside the field of politics have deemed it their duty to utter what I would call a solemn warning to their fellow countrymen. It is not my intention, Mr. Speaker, to present any pessimistic views as to the ultimate destiny of our country, because I think that with the development of our unlimited natural resources the future may be faced with confidence. But I am not satisfied that the Government has given any proof of its ability to meet the requirements of the hour; on the contrary, their methods of government have been disastrous and I cannot see any indication of an improvement. If one studies the methods followed by this Administration in the conduct of public affairs the only conclusion to be arrived at is that it is the deliberate decision of the Government to pursue the same policy of extravagance and waste that they have pursued for years and which has been so detrimental to the best interests of Canada. Sir, I will endeavour to prove this assertion. I sometimes wonder whether the Government realizes the state of disorganization in which Canada finds herself. We know that we can hardly meet our national obligations, and we are informed in the Budget that the Government will have to squeeze out more money from the taxpayers of Canada in order to try to make both ends meet. Our financial condition, Sir, is appalling. Let me illustrate by quoting some fundamental figures. In 1914, our expenditures were $180,000,000 or $24.11 per capita. In 1921, our estimated expenditures will be more than $600,000,000, or more than $70 per capita. In 1914, our gross debt was $554,000,000, or about $71 per capita. In 1921, although the Minister of Finance (Sir Henry Drayton), in his speech, did not give us the exact amount of our gross debt, it is no exaggeration to say that it is over $3,000,000,000, or more than $335 per capita.

In 1914, as I said, our gross debt was $554,000,000, but that represented all our national obligations since Confederation. We shall not forget that, during that period, that is to say, from 1867 to 1914, the money borrowed by Canada contributed to the equipment of our country. We built railways, canals, wharves, bridges and so on; we provided for the general organization of the country. But what have we, materially speaking, for the $2,500,000,000 added to our gross national debt since 1914, that is to say, during the last seven years? Almost nothing. This is one of the main considerations when we are endeavouring to understand our real financial and economic situation. Under such circumstances, is it necessary to say that the first and the last duty of the Government is, not only to preach but to practise, the strictest economy, to effect drastic reductions in our public expenditure, to limit our expenses to things of the most urgent character? Is that what the Government is doing? The railway and the shipbuilding policies of the Governement have proved to be nefarious; nevertheless, the Government is determined to persist in them. The National Railways policy of the Government will be recorded in the history of this country as the most hurtful blunder ever perpetrated by any government. The people of this country will never admit that public interest was served by the acquisition of the Canadian Northern or the Grand Trunk by this Government, when by those transactions we are assuming obligations of insolvent corporations as if they were solvent. The people of this country will never admit that this Government has a right to do what would be considered in private business as stupid. Last year, the railway administration had to report a deficit of $47,000,000; this year, the admitted deficit is $70,000,000; and if we were to believe some will informed people, this deficit really is $138,000,000; and the Government cannot give us any hope that the situation will not be worse next year. But the Government persists in that policy; it says: "What can the Government do?" Everybody knows that the Government is at sea; that it is absolutely unable to meet the situation. The Government admits that itself, and that is one reason why I repeat what I said in a previous debate, namely, that the duty of this Government under such circumstances is to resign and let other people endeavour to solve the problems.

[Mr. Demers.]

As regards the shipbuilding policy, notwithstanding the obviously manufactured surplus of the Minister of Marine and Fisheries (Mr. Ballantyne), it is very clear also that this is one of the big mistakes of this administration, and I think that everybody will admit that "mistake" is a very mild expression with which to qualify such a scheme. Without considering the excessive cost at which the Government is building ships,

5 p.m.

without taking into account the general depression in traffic and transportation, without even going into the merits of that scheme, I say that the hesitation, the unwillingness of the Minister of Marine and Fisheries, on the discussion on his Estimates, to provide the information asked for by members of the Opposition, were, for me, evidences of the folly of that scheme. It was very clear that the Minister of Marine and Fisheries did not favour too much talking, about the matter and I desire to say here that after a few hours of discussion, the application of closure in order to pass the Estimates of the ship-building policy of the Government, was a new display of autocratic methods which, with this Government, are customary.

Mr. BALLANTYNE: Does my hon. friend call an all-night sitting and three previous occasions when the appropriation was before the House, a "few hours"? If all the hours were put together, I am sure they would comprise something like two days.

Mr. DEMERS: For a scheme like that, it was a very few hours to discuss the policy of the Government, and the time was so short that even now we have not the necessary information. The attitude of the Government was the application of arbitrary methods that the people of this country cannot and will not tolerate for very long. It was a violation of the fundamental principles of responsible Government. It was the application of the autocratic rules which existed before the Magna Charta, when constitutional Government was unknown, when the people had no right to be heard and when the only governmental principle was "taxation without representation." Perhaps this is a digression; but let me say that the first thing that we should preserve in this country above any matter, financial or economic, is responsible Government. We shall not forget the struggles that the people had to go through before being

recognized, before obtaining the consecration of the principle that their représentatives should have absolute control of all moneys asked for and spent by the Government. For my part, I claim that this principle has been wilfully and generally ignored and violated by this Administration, and that the tendencies of this Government have been such in that respect that the main issue during the next general election should be the necessity of re-establishment of responsible Government in Canada. This will be the best kind of reconstruction work for our country. It will furnish the best contribution to its greatness and prosperity, and to the welfare and happiness of its people.

May I also be permitted to say that amongst the many problems that we have to face in Canada, there is one of importance that should not be overlooked, and that is the question of the relations between capital and labour. Generally speaking, the workers throughout Canada are not satisfied with existing conditions; there is a certain amount of discontent and unrest. To that condition of affairs many causes may have contributed, which it would be too long and too difficult to analyse because they pertain to the social, psychological and economic domains. But I think we can arrive at this conclusion, that labour will never revert to its pre-war condition. For myself, I am glad of that, because I do firmly believe that in the past the workers all over the world did not get a fair share of the happiness and good things of life. I am a believer in the principle of fraternity and equality; I think it is only by the application of this Christian principle that our civilization can be saved. I believe it is the duty of every public man to give this question of the relations between capital and labour his best attention in order to find some way of effecting a reconciliation between these two elements. If the House will permit me, I will give my own personal opinion as to the ways and means that might be adopted to attain such a result.

There are, according to my mind, two ways by which a reconciliation can be effected. First, the workers should be satisfied that they are getting a reasonable share of the profits realized from their work. Mark you, Mr. Speaker, I do not say that they should have an equal share of the profits. What is in my mind is this: that they should have a reasonable participation in the profits, after allowance has been made for the risks and responsibility of the employers, for the costs of materials, administration, and executive, for running and overhead charges, and manufacturer's profit. Or Sir, excess profits should be employed to form a reserve fund to provide for old age pensions, mother's and widow's pensions or other humanitarian institutions. I think we should always remember that labour is a living, fighting force, fighting for equality, and that it will not stop until it achieves a victory.

Coming back to the question of the necessity for economy, as I said before, I cannot see any evidence of any such spirit in the policy of the Government. I have spoken of the railway and shipbuilding policies of the Government, which, to my mind, are nothing but a negation of any principle of economy. Let me now point to some other matters that call for the immediate attention of the Canadian Government, if we are ever to get out of our difficulties. There is for instance, the question of the Civil Service. For my part, I believe that our Civil Service is inadequate in this sense, that we have by far too many civil servants. I think that their number should be gradually reduced. I believe that some millions of dollars could be saved in that direction, and I think that that is a work that should be started at once.

There is another question upon which I desire to say a few words, and that is the question of military expenditure. The Minister of Militia (Mr. Guthrie) quoted some statistics the other day going to show that Canada's expenditure on naval and military defence was lower than that of any other country in the world. Sir, we know that comparisons are odious, and this case, I think, is no exception to the rule. To compare Canada with sovereign countries seems to me to be no more reasonable than to compare the physical strength of a man with that of a child; and when you compare Canada with the other Dominions, if you wish to make a fair comparison, there are many things that you must take into consideration. First of all, we should look not merely at the amount expended in only one branch of the administration of a country, but at the total expenditure of every one of these Dominions with which a comparison is made. Their geographical situation must also be taken into account, as well as other factors. But even if all these conditions were exactly the same in the different countries that my hon. friend the minister has mentioned, I

do not think we can fairly conclude that because one country is spending too much money in one direction, we should also do the same thing. If the minister is satisfied with his statistics, I certainly believe that the people of this country do not share his satisfaction. For my part, in view of the very grave financial situation of Canada, and of the additional taxation to be imposed, I was expecting a substantial reduction in our military expenditure. The expenditure of $12,000,000 for military purposes is, in my opinion, nothing short of extravagance, and the same can be said of many public works such, for instance, as: the Victoria dry dock, which is the subject of some interesting discussion at the present moment; the Toronto harbour; the St. John harbour; improvements to the Welland and Trent canals; and other undertakings of that character. In the face of these extravagances it is nothing but provocation to the people for the Government now to talk about additional taxation. As I said, economy should be the watchword everywhere, and it is for this Government to set the example.

There is one matter of supreme importance, in regard to which the Government will have to render strict account, and that is the acceptance of the battleships offered by the Admiralty. The attitude of the Government in this matter had no justification whatever. We should not spend one cent on the expansion of the Canadian navy. Sir, we have nothing to fear, and, therefore, we do not need a navy. There is only one country with whom we might expect to have difficulties, and that is, our neighbours to the south of us, the United States. I am sure, however, that there is no hon. member in this House who would say that there is, or can be, any reasonable fear of such a calamity as a rupture between us and the United States. It would be absurd and entirely wrong on our part to provoke any serious conflict with them, and it would be equally unjustifiable and unjust for them to do anything that would incur our enmity. All that we need in the way of a Canadian naval force is a fleet that will provide protection for our fisheries, protection not against any nation, but against individuals. I say that the acceptance of these battleships will simply burden the people of this country with a very large and unnecessary expenditure for which there can be no excuse, and I therefore register my protest against such a policy. Some one will probably say that we on this side of the House did once favour a Canadian navy. I shall not pay any more attention to that question than to say that we submited our policy to the people and it was rejected. Is there any reason to believe that the public sentiment in that respect has changed, especially when there is no longer ground for the fear that existed then, and when the causes for apprehension have disappeared? There is something more to say on this question. These battleships were accepted without the consent of the people or of Parliament, and the consequences of this action may prove of very great national importance. The acceptance of a gift of such a nature may well involve dangerous obligations in the future, and I cannot too strongly express my protest against the autocratic and unconstitutional action of the Government in this matter.

I said a moment ago that economy is absolutely necessary everywhere to-day; but economy, Mr. Speaker, is not the only necessity in Canada. There is one great principle, the application of which will do more than anything else to accomplish the great work of reconstruction which rests with the public men of this country. That principle is this: Mind your own business. That principle is that Canada should be the only object of our attention and consideration at this time. We should restrict our activities to Canada exclusively. Our country is large enough to require the concentration of all our energies towards its development. Let us be Canadians first, and Canadians only; let us get out of European and Imperial affairs. It is about time that the true Canadian began the work of creating an exclusive Canadian sentiment in this country, and there could be no better time than now that we realize that we cannot ever meet its requirements.

I was impressed the other day with an article which I read in no less important a paper than the Montreal Gazette, which declared that Parliament is sick of the League of Nations and of trips to Europe by Cabinet ministers. I thought that that was the real feeling of a good many members of this House, also, if they would only voice it. At any rate, any man who does not agree with that view must admit that he has not learned the lessons of true Canadianism which we received from the two great leaders, Macdonald and Laurier.

Sir, Canada is the only country in the world for us; it is all that we can call our own, and it is so immense in area and of such vast possibilities that it will take all our time to develop it. Let us not only

sing, but let us feel and fully appreciate the sentiment of our national anthem, "O! Canada."

It is not my intention, Mr. Speaker, to deal with any other questions at this time, but before resuming my seat, I should like to summarize, in a few words, my views as to the methods which this Government should adopt to carry out the work of reorganization and reconstruction: First, an exclusively Canadian policy; second, restoration of responsible government; third, solution of labour problems; and, fourth, economy in every branch of administration. Such is, Sir, to my mind, the policy that would restore prosperity and greatness to Canada.

Mr. THOMAS W. CALDWELL (Victoria and Carleton, N.B.): Mr. Speaker, I have followed with a great deal of interest the different speeches that have been delivered during this debate. I must say, however, that I was rather disappointed in the speech the Prime Minister delivered on Friday last. I think the members of this House, and the people of the country, expected the Prime Minister to deal with the very serious problems that face the country to-day—the railway situation, the unemployment situation, and the other serious issues that confront the country. But what were we treated to on the part of the right hon. gentleman? He gave one of the greatest expositions of ridicule and abuse that this House has ever witnessed. The Prime Minister accused our little group, in this part of the chamber, of not moving their platform in Parliament. Mr. Speaker, it reminds me of a passage in a book that hon. gentlemen are more or less familiar with: Cast not your pearls before swine.

Some hon. MEMBERS: Oh, oh.

Mr. CALDWELL: We have moved this platform before a tribunal that is possibly less prejudiced than this House, a tribunal higher than Parliament itself—the electors of Canada. That platform has been endorsed in a large number of cases where it was tried out before the people on its merits, and if it is endorsed to as great an extent at the next general election as it has been in the recent by-elections we will have no cause to complain.

I think it was very small politics for the Prime Minister to try to make out that we were an "annex" to the Liberal party simply because we propose to vote for the amendment before the House, in view of the fact that we have supported the Government with our votes in this House nearly as often as we have opposed them. As to where we stand I think, Mr. Speaker, I cannot do better than quote what I said last year on the Budget because what I said at that time is quite applicable to our position to-day. Speaking on May 27, 1920, I expressed myself as follows:

> —we do not propose to support either of the old parties in this House. When a question arises such as the present question before the House we intend to take a stand on it that will be in the best interests of Canada. We may err, but if we do we shall err in judgment; we shall not be whipped into line to support this party or that against our convictions,—do not make any mistake about that. I think that we have proved our independence in this House during the present session; we have voted with the Government perhaps as often as against them. I am only sorry that we were not able to vote with them oftener, because if we had been able to vote with them it would have meant that they were bringing down good legislation, legislation for the good of Canada and which we would have been pleased to support.

I do not wish to take up a great deal of time in this debate, because the discussion has run at some length now, and after matters of this kind have been discussed for three or four days there is not very much new left to be said with respect to them. I do, however, wish to give a concrete example or two of how a protective tariff affects the business of the country, and how extravagant a method it is of collecting a revenue, and I wish to take in illustration some articles I know something about—articles that are used in my own province very largely.

For one thing I wish to speak of the duty on fertilizers. At the present time, as you all know, there is a duty of 10 per cent on mixed fertilizer, whilst chemicals, with the exception of acid phosphates, are admitted to the country free. I have here the imports of fertilizers for the last ten years, giving the amount imported that was dutiable and the amount imported that was free. Some of the recent speakers have referred to the Canadian tariff as inducing American manufacturers to locate in Canada. I want to show you why that is the case—because while they are able to import into Canada their raw materials free they are able to charge a duty on the manufactured article, collect it from the people of Canada and put it into their pockets instead of that duty going into the revenues of the country. For instance, in 1912 we imported $413,338 worth of fertilizers that were dutiable, and on those imports collected $41,333 in duty.

That same year there was imported, duty free, fertilizer materials to the value of $735,053.

Had these materials been dutiable the duty collected would have been $73,505. But that went into the manufacturer's pocket, not into the revenue of the country. Therefore, for every dollar that we collected in duty that year the manufacturer put nearly two dollars in his pocket. I do not know that I will trouble the House to give the figures for each year separately. I wish to state, however, that in the ten years we collected in duty on fertilizers imported into Canada $769,585.20, and we imported, duty free, fertilizer materials on which, had there been duty the customs imposed would have amounted to $1,766,134.90. It is just possible that some hon. member will say: Well, the fertilizer manufacturers do not take advantage of this. Very well, I want to disabuse the minds of hon. gentlemen in that particular. I have here the price lists of a firm—an American firm by the way—who have a factory in Canada, a mixing plant. They import their chemicals free of duty and sell the finished product in Canada as well as in the United States. Living as I do only six miles from the American boundary I know whereof I speak in regard to this matter. I have here the lists of this company giving the prices at which they sell in the state of Maine and in the province of New Brunswick. Now, the fertilizers which they sell in Maine for $62.50 they sold in New Brunswick this year for $77.50, a difference of $15 a ton. Yet the chemicals were brought from the same source and it was the same company doing business in both instances. Another fertilizer that they sold in Maine for $67.75, they sold in New Brunswick for $82.75. Another brand, of a higher grade, they sold in Maine for $75.75 and in New Brunswick for $90.75. Owing to this fact our farmers' organizations have taken to buying their own chemicals and importing them themselves. Accordingly this year we were able to lay down at the farmer's local railway station, chemicals such as used in the brand that our dealer charged $77.50 for at $46.18, a difference of $31.32. The farmers, of course, have the remedy in their own hands, and I feel they are going to avail themselves of it—they will simply import their own chemicals and mix their own fertilizers.

I now wish, very briefly, to illustrate how a heavy duty affects our exports. We grow in New Brunswick large quantities of potatoes; that is the reason we use so much fertilizer. The latter part of this past season the prices have been very poor in New Brunswick, and we are not realizing a very good price for potatoes at the present time. However, I notice that the potatoes exported during the present year, that is up to the end of March last, have brought a higher average price than those exported last year when the prices were quoted so high. The high price of last year caused different members to fling the accusation at the farmers that they were profiteers, that they were selling potatoes at $12 a barrel. Potatoes did go to that price in April last year for the simple reason that there were no potatoes in New Brunswick. The potato crop in Canada the past season on the whole, sold at a higher price than the year before. Prices are very low at the present time, for the reason that there is an over-supply on hand and the demand is not equal to the supply. I have here figures of potato exports from Canada to the United States from 1912 to 1921. Of course, during the few war years prices and conditions were abnormal and therefore I shall take two years before the war and two years after and compare them. During the two years before the war there was a duty against our potatoes going to the United States which made the export business rather unprofitable for us. In 1912 we exported 27,286 bushels at a price of 70 cents a bushel; in 1913 152,557 bushels, at a price of 84 cents a bushel; in 1920—when there was no duty—5,480,754 bushels at a price of $1.25 a bushel; and in 1921, 4,204,684 bushels at a price of $1.98 a bushel. It will be noticed that in 1920 we exported over 5,000,000 bushels as compared with only 27,000 bushels in 1912.

When the Fordney Tariff Bill was proposed I took it upon myself to write to the Prime Minister to know if our Government could not take some steps to overcome this Bill. Of course, I realized, as our Prime Minister informed me, that the United States Government have full authority to legislate for themselves, and would resent any interference. At the same time, in view of the fact that Canada has practically a monopoly of the pulpwood supply of North America, it seemed to me that our Government could very well have put it up to the United States Government that if they discriminated against our farm products it might be necessary for Canada to impose a heavy export duty on pulpwood. I think if this

had been done the United States would have thought twice before passing an Act discriminating against our farm products. I do not know whether such representations were made or not by our Government to the Government of the United States, but at any rate this country had had no intimation of any such action having been taken.

In view of the fact that the Young Emergency Tariff measure will affect the potato growers of Eastern Canada very severely, I should like to urge upon the Government the necessity for providing facilities at the port of St. John for the shipping of potatoes during the winter season. If we are practically shut out of the United States, Cuba is our next best market. During the past winter I received several communications from potato shippers in New Brunswick urging me to see if the Government would provide some means for shipping potatoes through the port of St. John during the winter season. I believe it would not be a costly matter —merely the erection of a frost proof warehouse. These shippers advised me that during last winter they were compelled to ship via Boston, which meant, according to the ruling of the Railway Commission, that they had to pay freight in American funds from the shipping point in Canada to Boston, and from Boston to Cuba. Had they been able to ship by the port of St. John the difference in the rate of exchange on the freight and in the short rail haul and the longer water haul would have meant practically a dollar a barrel difference in favour of the farmers. I sincerely hope that the Government will take this into consideration and provide the necessary facilities at the port of St. John for handling what is the big export crop from the province of New Brunswick. There are already facilities at the port for handling our western grain, facilities that the whole Dominion has helped to provide, and I think it is no more than fair that the province in which this port is situated should have the facilities required for handling its potatoes.

In speaking of how a high tariff affects imports and exports, I would crave the indulgence of the House while I read an extract from the Montreal Gazette as to what the minority members of the House of Representatives think of the Fordney Tariff Bill.

> In the minority report the Republicans are accused of tossing into the lap of "three great trusts, the packers, the sugar trust and the woollen trusts $775,000,000 a year," and of seeking to disbar any future trade with the Central Powers and smaller states in Europe through "a subtle and dangerous joker," in directing the Secretary of the Treasury to fix the value of foreign money as a basis for levying duties on imports.
>
> The present bill is characterized as even worse than its predecessor, the Fordney measure, by the report which asserts that "if any advantage will apply anywhere from the new proposal, it will be to the trusts, speculators and profiteers." It also calls attention to provisions of the Republican national platform—

By the way, that platform provided for a decrease in the cost of living.

> —and inquires whether "any honest Republican can sincerely vote for this bill in the belief that it will reduce the cost of living."
>
> "We note that the bill has been changed since the last session of Congress," the report adds, "from the Fordney Emergency Tariff Bill to the Young Emergency Tariff Bill. Whether the ways and means committee thought the name of its chairman, Mr. Fordney, attached to the bill, would discredit it or believed that by attaching the name of Young from the agricultural state of North Dakota, it would more easily fool the farmers, we cannot undertake to say. But there must be some political significance in it."
>
> "Figures were presented to show that the actual increase in living costs resulting from enactment of such law would be about $2,000,000,000 a year. The statement says that the bill would hand a gratuity of $125,000,000 annually to the sugar trust $550,000,000 annually to the meat and beef trust, and more than $100,000,000 a year to the income of the woollen trust.

There is no doubt in my mind, Mr. Speaker, that a high tariff has that effect in any country. I realize, however, that in view of the Young Emergency Tariff Bill going into effect our Administration will have to be governed in their tariff legislation accordingly, but I hope they will not increase the duty, for instance, on fertilizers, with which we grow potatoes, because we have to pay that import duty, and also the duty on our potatoes going into the United States. Somebody will say: That is not logical; if we pay the duty on the fertilizer coming in, why will we pay the duty on the potatoes going out? The explanation is simply this, that our export trade in potatoes to the United States compared with the quantity of potatoes they grow is a very small factor in fixing the price in that country. For that reason, we being the little fellow, the price is practically set by the big fellow. In that connection, a duty of 25 cents a bushel is being imposed on our potatoes entering the United States, while their potatoes enter Canada free to-day. I think under these circumstances our home market for potatoes should be reserved to Canadian growers. In the next two months we will have a large quantity of potatoes on our hands, and they certainly will not all be disposed of in Eastern Canada, as the new potatoes coming in from the United

States will take the place of our own product. Our shippers tell me that if retaliation is proposed by this Government it should be in such a form as will offset the duty that the United States has imposed on articles imported from this country. Of course, you will hear the old cry: Where will you get the revenue from? Well, Mr. Speaker, I cannot help thinking that there is as much in the spending of the revenue of the country as there is in collecting it. It seems to me that if our Government had not seen fit to loan $23,000,000 to Roumania in 1919 we would not have needed so much revenue. The very fact of our immense debt makes it clear that Canada had no money to lend, least of all to a bankrupt country from which there is very little prospect of ever getting either the principal or interest. That interest was to have been paid twice a year, but already nearly a million and a half is overdue, and I doubt very much if it ever will be paid. Not only have we thrown this $23,000,000 away; but the people of Canada will have to pay interest on it until the Victory bonds through which we obtained this money to squander are redeemed. I think it would have been a good thing for this country if the revenue in the past few years had not been quite so large; the Government would not have been quite so ready to squander it in loans to bankrupt countries, nor to apply the closure in this House very recently in order to vote $8,0000,000 to build ships for the Canadian Government Merchant Marine at exorbitant prices. If I am not mistaken—the Minister of Marine (Mr. Ballantyne) will correct me if I am wrong—the price paid for the building of vessels in Canada recently has been $191 a ton. I believe that a firm in Montreal bought a couple of vessels very recently for somewhere in the neighbourhood of $50 a ton. Of course, we realize that that does not represent the cost of building the vessels, but there are numberless ships idle to-day and no doubt the owners of these were in difficult financial circumstances and were glad to realize money on them at any price. I believe that a member of this firm made the statement that very soon it would be possible to buy ships in Canada at $25 a ton, because large numbers of vessels are at present tied up and unable to get sufficient freight to enable them to pay operating expenses.

I have spoken of the loan to Roumania. At the time it was made we all wondered why the Government was so willing to lend money to anybody at that time, to say nothing of lending it to a bankrupt country. The answers to questions put on the Order Paper last year by the member for Chambly-Verchères (Mr. Archambault) throw some light on why the Government authorized this loan. If I remember rightly the hon. member inquired who were the firms who supplied the goods to Roumania and Greece and what were the prices. It is my memory that the names of a number of firms were given but that the prices were not stated. It was with more or less amazement that members of the House read the answers to those replies, and that they found that a large quantity of goods furnished to Roumania and Greece on this credit or loan was furnished by firms of which supporters of the Government were members, of which some hon. members of this House were presidents and managing directors. If an individual member of Parliament had sold any goods in this way and for this purpose, he would have to resign his seat. But the supporters of the Government were able to get away with it, due to the fact that they were members of these companies. I think, however, we will all admit, that they got very close to the edge.

In dealing with the question where the revenue was to come from I pointed out last year, when speaking on the Budget, a source of revenue that this Government had not only failed to take advantage of but had made it impossible for any succeeding government to take advantage of, namely, Victory bonds exempt from taxation, amounting in all to $1,358,000,000. More than that, it cost the country nearly $14,000,000 to float those loans, in the payment of commissions to agents who canvassed for the sale of the bonds and to the banks for handling the amounts as they were turned over. We have never been able and never will be able to collect one cent by way of tax on the income derived by the holders of these bonds amounting to $1,358,000,000. I said at the time it was proposed to make this loan free from taxation that I could hardly find language strong enough to express my disapproval of that course. The Finance Minister pointed out that if the Government did not exempt the bonds from taxation they would not be able to float the loan. Well, it is a fact that the later loan in 1919, which was made taxable, was over-subscribed just as readily as the non-taxable loans; therefore the theory of the Minister of Finance was disproved. Certainly it is harder to sell a

taxable bond, once you set the precedent of not taxing, than to sell a non-taxable bond, but, as I say, the loan in 1919, which was not exempt from taxation, was largely oversubscribed. I have made an estimate of what the income would be by way of income tax if these loans had not been exempt from taxation. The income on $1,358,000,000 at 5½ per cent would be $74,690,000. It is fair to suppose that $37,345,000, or half this amount, would be taxable as income at the rate of 4 per cent, because, I think, it is true that these moneys were not all subscribed by the poorer people; it is fair to assume that half the people who subscribed to the loans would have incomes taxable at the rate of 4 per cent. This would add $1,493,800 to the revenue of the country. I think it may be assumed also that the other half of the $74,690,000 would be taxable at the rate of 8 per cent, which would yield a revenue of $2,987,600. I also believe that half of this revenue from interest on Victory bonds would be received by persons whose incomes were large enough to pay a surtax of 3 per cent, and that would add another $1,120,350 to the revenue of the country, or a total of $5,601,750 yearly. But due to the fact that this tax exemption was made as part of the agreement when the bonds were issued, no government will ever be able to make these bonds taxable which I consider is very unfortunate in view of the fact that we must raise such a very large revenue, a revenue double per capita that raised in the United States. I think it has been stated that the amount which we must raise per capita in order to obtain the necessary revenue will amount to about $70 per capita or $350 for each family of five in this country. The expenditure per capita in the United States is $35 per head, or just half of what ours is. The Secretary of the Treasury of the United States has warned the United States Government that they must retrench, that the country cannot stand the present extravagant rate of expenditure. When you compare the revenue which they raise per capita with ours, you will see that they spend one dollar per head for every two dollars per head that we spend in Canada. I do not think any member of this House, and I am sure that no elector in this country will contend that we are able to pay twice the amount of taxes per head that the citizens of the United States could pay.

I think it was a very unwise thing to abolish the luxury taxes, having regard to the facts concerning our expenditure. The sound way to raise revenue is by taxing a man on what he is worth, not on what he consumes. The fact that the luxury tax was a good revenue getter was another reason why it should not have been abolished. During the six months that it was in operation it produced somewhere in the neighbourhood of $4,000,000 more than the sales tax has produced in ten months. The luxury tax fell upon people who were better able to pay than the majority of those who will be called upon to contribute to the revenue through the medium of the sales tax which is to take the place of the luxury tax. In my opinion the business profits tax should also have been continued. The people would be interested to know, I am sure, just what was behind the abolition of the luxury tax and the business profits tax, and I propose, before I conclude my remarks, to give them just a little information in regard to this matter.

At Six o'clock, the House took recess.

After Recess

The House resumed at Eight o'clock.

Mr. CALDWELL (resuming): Mr. Speaker, when the House rose at six o'clock, I had just arrived at that point in my remarks where I was saying that I believed that the consuming public of Canada would be anxious to know what influences were behind the Government to induce them to abolish the luxury and business profits taxes which were such good revenue getters. I said that I hoped to be able to enlighten the House and possibly the country as to just what these influences were that induced the Government to do this very unbusinesslike act. I wish to quote from an article that was printed in the Montreal Gazette of May 12, 1920. There were very big headlines on this article: "Million Dollar Fund for Propaganda." Then in somewhat smaller headlines were the words, "Canadian Manufacturers' Association Insistent Upon Tariff Commission of Specialists." The article goes on:

> A million dollar fund for the propaganda of the Canadian Manufacturers' Association was foreshadowed to night at the annual dinner of the Montreal Branch. Among the guests were Col. W. Grant Morden, Sir James McKechie, head of the Vickers firm of England and many of the business leaders of the province.
>
> T. P. Howard, as President of the Dominion Manufacturers' Association, said that they had approached the Government on the necessity for a scientific tariff board for Canada and stated that it would be considered with the support of

1,600 labor unions of Canada as well as the manufacturers, and in a defence of great industrial mergers both here and in England.

With regard to this demand of the Canadian Manufacturers' Association for a scientific tariff board for Canada, I understand that their wish was to have a tariff commission appointed that would deal with the tariff in much the same way that the present Board of Railway Commissioners deals with freight and passenger rates—a board that would have absolute control over what the tariff on all imports should be, and a board that would not be responsible to the electors. I wish to congratulate the Government on withstanding the Canadian Manufacturers' Association in this demand. To appoint such a board would be very unconstitutional, and I am pleased that the Government did not do it. The Canadian Manufacturers' Association, not being able to accomplish this object, evidently turned their attention to the matter of outlining a plan of taxation for Canada, for in the Montreal Gazette of a later date, I find the following:

March 29, 1921.—The question of Federal taxation will be discussed here this week by representatives of the Canadian Manufacturers' Association, the Retail Merchants' Association of Canada, and the Wholesale Merchants' Association, as a result of an intimation from Sir Henry Drayton, Minister of Finance, that he wishes to obtain the collective judgment of the business interests in Canada as to the most desirable plan to raise revenue for Federal requirements.

It is quite evident that these people had raised their million dollar fund, and had assured the Government that they could deliver them the support of 1,600 labour unions. Here we find the Minister of Finance telling them: All right, if you can deliver me this support, get together and tell us what you want, and we will see if we can meet your requirements. I think most people will agree on looking over the Budget that all of the requests made by the big interests of Canada have been granted except one. I believe they wanted in addition to the abolition of the business profits tax and the balance of the luxury taxes, the income tax on corporations abolished. I want to congratulate the Minister of Finance on not acceding to this last request, but it is just possible that he is coming to that by easy stages, and that that tax may be the next thing to go; I hope not, however.

During the war, the slogan in Canada was: The last man and the last dollar. We got the required men all right, but I am sorry to say that the Government did not begin to get the first dollar of big profits made on war contracts during the war. I think the Government and the Minister of Finance were about two, if not three years too late in starting to tax the excess profits of the business interests of Canada. And I believe it would be unsound to abolish that tax at the present time.

I wish to quote a few extracts from the Montreal Star of May 12, 1921, which prove conclusively, if proof were needed, that the Canadian Manufacturers' Association and the other interests allied with them were the instigators of the present taxation scheme for Canada:

"It appears to me that the Finance Minister has worked out the matter in a very clear and concise way," said F. W. Stewart, Chairman of the Montreal Branch of the Canadian Manufacturers' Association. "It appears to have been very carefully designed, and the changes made are in the best interests of business. The sales tax is really the basis on which taxation will affect the consumer the least. The manufacturer does not absorb it, and by showing it separately on his invoice no advance is added to it. The sales tax was working very satisfactorily indeed, and its continuation will be satisfactory to wholesalers and manufacturers."

I cannot for the life of me see how Mr. Stewart comes to the conclusion that the sales tax will affect the consumer least, because it is the consumer who pays that tax. Mr. Stewart admits that the wholesaler does not absorb it, so he must pass it on to the consumer. I quote again:

The new budget provisions bring a welcome relief to the ardent card player, to whom the high cost of cards has been a source of frequent complaints. The tax on cards not exceeding $24 a gross, is reduced from 15 cents a pack to 8 cents, and that on cards costing over $24 a gross, drops from 25 cents a pack to 15 cents.

I suppose that the ardent card player, the people who have leisure to indulge in card playing, and the card sharper who fleeces the innocent victim out of his money at cards, will no doubt be benefited by the Budget provisions in this respect, but I do not know whether it is in the best interests of the country or not. I leave that for the House to judge. Another quotation:

The Retail Merchants' Association of Canada is well pleased with the budget, and is glad its work has resulted in what it has been aiming at.

So if we needed any further proof that the Budget was the work of the Retail and Wholesale Merchants' Associations and of the Canadian Manufacturers' Association, I think we have it here in the avowal that the Retail Merchants' Association have accomplished what they were aiming at. Again:

"So far as we can judge, Sir Henry Drayton has taken the best possible course in his budget," said T. P. Howard, ex-President of the Canadian Manufacturers' Association, and President of the Howard Smith Paper Mills, Ltd. "The abolition of the business profits tax is good. We realize that Sir Henry had to get revenue, and he has done it in the way that presses least heavily on the taxpayer and on business."

When you take out the taxpayer and the business man, who is left to pay the taxes? It is evidently the consumer who owns no property, according to this man, because it is the non-taxpayer, and not the business man. It is the poor labouring man who is working in a mill or on the railroads for $2 or $3 a day, trying to support a large family, who is raising the revenue by paying a tax on everything that he and his family eat and wear. If that is a sound method of taxation, I will admit that I do not know very much about economics. My idea of equitable taxation is to raise the revenue by taxing the men best able to bear it, the men who own property, or who make big profits out of business. It has been said that the reason why the business profits tax was abolished was because there were no profits. If that were the case no harm would be done by leaving the tax in force. To abolish the tax is simply saying to the business man: Go ahead and make all the profits you like, and we will not touch you. That is not sound, in my opinion. I have another quotation to make from the Montreal Star:

"I think the increase in the sales tax will meet with little opposition," states W. M. Birks, 1st vice-president of the Montreal Board of Trade. "It is not so general or uniform a tax as the turnover tax advocated by the Board of Trade, but still it is quite good, as is the abolition of the business war profits tax and the last of the luxury taxes, for which the council of the board has been pressing for some time."

Why are these people so jubilant over this tax? To my mind the reason can be summed up in a word: They are able through this new measure of taxation to shift their load on to the other fellow's back.

Mr. ONESIPHORE TURGEON (Gloucester): Mr. Speaker, the Budget debate has lasted now over a week and has been the means of giving much information to the House and the country at large on the fiscal proposals of the Government. It is certainly with great regret, when I see my hon. friend the Minister of Finance (Sir Henry Drayton), opposite to me this evening, that I rise in the exercise of what I feel to be my duty to inflict upon him the burden of my remarks on the Budget. He has delivered his Budget with evident sincerity and honesty, and for that we certainly owe him a debt of gratitude and our congratulations. The fact that he occasionally enunciates good Liberal principles has led me to believe that my hon. friend was a Liberal, but that he has lost his bearings in the befogged economic atmosphere of Toronto. To-day every Canadian is anxious to know what the Minister of Finance (Sir Henry Drayton) can do to improve our present disquieting financial conditions, and although the Budget which my hon. friend has submitted to Parliament does not contain very much, the facts it discloses are serious enough to set every earnest citizen thinking. It is true that we have passed through very grave and difficult times, but we know, Mr. Speaker, that while our obligations are tremendous, we have resources that are almost inexhaustible; and if the Government would only go about it in the right way, they would find it not an impossible task to put this country once more upon a sound financial basis. I do not minimize the vastness of the task, but I certainly think that the Government is not doing all it can in the present circumstances. For many years to come the people of Canada will have to shoulder a heavy burden in the way of taxation, and it is the duty of whatever Government may be in power to do everything humanly possible, in the way of developing our natural resources, and, above all, of economizing in the management of public affairs, to relieve the people, as far as possible, of that burden. But conditions, I am afraid, seem to be going from bad to worse, and this year we have to raise an amount much larger than was called for last year; in addition to which, we must face the increased deficit which is anticipated in connection with the Canadian National Railways. The people to-day are undoubtedly discontented; but, if they had an opportunity of electing a new Parliament, and could feel that that Parliament truly reflected their opinions and their wishes, they would take heart and be fully prepared to co-operate with the Government in the effort to discharge our obligations. Unfortunately, however, as has been remarked on many an occasion, not only the Prime Minister and the Government, but this Parliament as a whole, cannot claim to represent the people. This Parliament was elected under particular circumstances for a specific purpose. Its mandate has expired; the occasion for

which the Government was returned to office has passed; and the people are anxious to return new representatives who will reflect their views and their wishes, and endeavour to implement their ambitions.

For some considerable time now we have been promised a revision of the tariff, which has been demanded by a section of the press; and if, as some people think, that section is a minority, still it is a minority that commands the respect of the people. Two years ago we were promised a tariff revision during the recess; and last year the same assurance, in emphatic terms, was given to the House by the Minister of Finance himself. After that assurance I felt convinced that this time there would certainly be a revision of the tariff which we might discuss at this session of Parliament. I am inclined to think that the hon. minister, who travelled from one end of the country to the other, going to the trouble of taking evidence extensively, and of hearing the whole question discussed from every standpoint, must have been personally in favour of undertaking a revision of the tariff. No doubt, however, he has been influenced in his decision by the counsel of his colleagues, and if he finds himself to-day unable to carry out his promise to give us a revision of the tariff, he is not alone responsible. Pressure has been brought to bear upon him, I presume, by the Government and the Prime Minister, and so we hear hon. gentlemen opposite putting forward, as a reason why there is no tariff revision, the importance of our waiting until the United States puts its new tariff law into effect.

In my opinion, Mr. Speaker, Canada would not to-day be faced with any adverse exchange with the United States if we had been wise enough in 911 to adopt the reciprocity agreement proposed by that able leader, Sir Wilfrid Laurier. That agreement was unquestionably conducive to the greatest prosperity in this country; and, if we had adopted it, it would have made for better conditions financially for Canada, and a very much better mutual understanding between the two countries. The right hon. Minister of Trade and Commerce (Sir George Foster), in 1911, told the people that their only salvation lay in defeating reciprocity; but recently we have seen him pleading with the United States, in that eloquent way we all know, and beseeching them not to use the weapon in their hands. In 1911, the war cry was "No truck or trade with the Yankees;" to-day it is this: "Let us be friends; we are of common origin; there is no reason why we cannot carry on business amicably with each other".

My right hon. friend the Prime Minister (Mr. Meighen) the other day, in that virile style of his, criticized the Opposition. I know that he is never at a loss for an argument, but I think he went rather too far when he declared that the tariff we have to-day, under the Conservative party, is identical with the tariff as it was left by my hon. friend, the ex-Minister of Finance (Mr. Fielding), in 1911. I will admit that the tariff may be the same as was left to hon. gentlemen opposite in 1911—minus the benefits of the reciprocity pact. Those benefits would have been added to the tariff but for the position which my hon. friend and his friends took in regard to reciprocity. Immense benefits would have accrued to Canada under the reciprocity pact to which my hon. friend the ex-Minister of Finance had given two years of hard work in order to try and bring the representatives of the American people into harmony with his views and aspirations. Fortunately, there were a couple of provinces in Canada which were not affected by the tornado of prejudice which swept over the country in 1911 and which affected more particularly the provinces of Ontario and Quebec. I refer to the provinces of Alberta and Saskatchewan. These two provinces sent a full contingent of representatives to Parliament in support of reciprocity, with the exception perhaps of two gentlemen who have since taken refuge on the bench or elsewhere. Every other representative of the two provinces came to Parliament in the chariot of reciprocity, and not one of them has changed his mind on that important question.

My hon. friends opposite are fond of talking of the value of the home market to the people of Canada. That is the great slogan of the protectionist—the home market. They tell you that you must not consider outside markets or outside conditions; you must confine your activities to the home market. As an illustration of the value of the home market they refer to the article of butter which, during the war, commanded such a high price. Are we not to consider any of the rest of our farm products? What about our wheat and our other grains needed so much by the outside world, and abundant crops of which mean so much to the prosperity of this country? Are we to confine ourselves, in the development of our resources, to a

market of eight or nine millions of people when those resources are such as to enable us to supply the needs of a great part of the world? Where would the wheat grower of the Prairie Provinces be if he were limited to producing only sufficient for the needs of eight or nine millions of people in Canada? Where would be the great benefits to industry, that are now enjoyed, if we had such an extremely restricted market? It is an unrestricted development of production which makes for the prosperity of a nation. We have a country of immense area, and of unlimited resources; and it is in the development of our trade with outside countries that I expect to see Canada grow and expand in the future. Our manufacturers in the big cities should realize this—I think as an actual fact they do realize it—but until they get this broader outlook and act upon it we shall not see Canada expand and prosper in the way she ought to do.

We have seen the luxury taxes as they were called—those taxes which gave so much trouble to the retailers and their customers—discarded and other methods resorted to. But in every case it is the consumer who pays. I have always been in favour of the abolition of taxes that press heavily upon the masses of the people, and replacing them by taxation that would fall upon those best able to meet it. It is not only upon the ordinary commodities that the Minister of Finance is imposing taxes that will bear heavily upon the people—he is now imposing a tax upon lumber. The proposition of the Finance Minister, as outlined in the Budget, reads as follows:

> Provided that in respect of lumber an excise tax of three per cent shall be imposed, levied and collected on sales and deliveries by the Canadian manufacturers—

This is going to add to the cost of erecting buildings more especially in the cities, and by reason of it tenants will have to pay increased house rents. Only a short time age we heard from the Minister of Railways the statement that owing to the high freight rates we cannot get lumber from British Columbia. Even the people in the prairie district of the West are suffering by reason of that fact. Notwithstanding the prosperity they have been experiencing they will not, owing to the high cost of transportation, be able to obtain lumber from British Columbia to shelter themselves, their families and their stock.

Again, he tells us that that lumber cannot under the present excessive freight rates be transported to Central Canada to meet the needs of the people there. We know also that owing to those same excessive freight rates New Brunswick lumber cannot be sold in Montreal, Toronto or Buffalo as it used to be. Our lumbermen of northern New Brunswick have to pay a freight rate of $11 per thousand feet to send their lumber to Montreal, and they have to pay another $12 or $13 freight rate to extend their sales to Toronto or Buffalo, which represents the price of the lumber itself. And yet after receiving that statement from the Minister of Railways we find the sales tax on that lumber is increased to three and a half per cent.

Sir HENRY DRAYTON: Will the hon. gentleman allow me? I am sure he would like the facts. Does he know that the two taxes of one per cent each making 2 per cent in all of last year have been consolidated this year in so far as lumber is concerned into a three per cent tax, an increase of one per cent only on the two, and that the rate as consolidated and increased is only 3 and not 3½ per cent.

Mr. TURGEON: I accept the explanation given by my hon. friend (Sir Henry Drayton), but still under present conditions if there was one article which should be free of that taxation it is lumber, because in every city there is a dearth of dwelling houses, and the high prices of lumber and other material tend to discourage the erection of new houses.

Needless to say, Mr. Speaker, the amendment brought in by my hon. friend from Shelburne and Queen's (Mr. Fielding) will receive my hearty support, although I think it is well known in this House that I am willing to go much further; but, as I have said on other occasions, we cannot expect free trade to become effective in a moment, especially under present world conditions. It will come gradually as circumstances permit. But certainly the principles underlying that amendment are such as if put into practice will undoubtediy improve the conditions of our people. The principle of protection itself is injurious to any country, but especially to such a country as Canada that can only prosper by the development of its natural resources, —that circumstance alone is a sufficient condemnation of protection. The United States is often cited as an example of the benefits accruing from protection, but it must always be remembered that however

high the protective tariff has been in that country, it has never been such a burden upon the people there as is our protective tariff upon our people to-day. But, outside of tariff matters, permit me to say that the growth and prosperity of the United States cannot be attributed solely, or, indeed, in any degree to their tariff policy, but rather to the expansion of territory which has resulted from successive annexations until the original thirteen New England States have grown to over forty, not only increasing the area of the United States but its population also, and those states enjoy a freedom of trade that was unknown to the old colonies. In a word, the industries of the whole country have been developed, and we find that the industrial expansion in California has kept pace with that of New York, while the city of Chicago has become the great centre of commerce of the Middle West, and its unparalleled prosperity has not been at the expense of, but has helped, the prosperity of New York, Boston and Philadelphia.

And my great leader, the late Sir Wilfrid Laurier, developed this country by revising the tariff to the untold benefit of our people, and by adopting a vigorous immigration policy, he attracted a virile enterprising class of settlers who peopled our western territories, necessitating the creation of new provinces and virtually expanding our territory in a manner somewhat similar to the expansion of the United States. The result has been that the energy of Canadians from the East combined with the energy of our newcomers has developed the West to its present prosperous condition, which has reacted on the East, and this country would not be as well off as it is to-day but for that far-sighted policy.

But we are told that we must have protection. I see that the Minister of Labour addressed a meeting a few nights ago at McAdam Junction, and for the time being, apparently, represented himself as the friend of the railway men and of labour generally, and he told them that they must have protection to afford the labouring men plenty of work. In this connection I would remind this House and the country that the working man besides being a seller of labour is also a purchaser of commodities, and the price of his labour must correspond to the price of the commodities which he has to buy. It is not only a case of for instance a particular manufacturer of boots and shoes, saying to his workmen: "You pay a little more for your boots and shoes and I will give you higher wages." But after buying their boots and shoes those workmen have also to buy food and clothing for themselves and their families. So we cannot judge of the prosperity of the country merely by a tariff.

This amendment is certainly a move in the right direction—a direction which the late hon. Sir Wilfrid Laurier indicated in his manifesto to the people of Canada, in which he said among other things:

> If I should be entrusted with the administration of the country, I would immediately relieve agriculture from all its shackles of the customs duties. Thus I would at once abolish the duties on all farming implements and the other necessities of the farm, and would advocate as an essential object of my administration a general and well constituted reform of the tariff, tending to aid production in Canada and to relieve the Canadian consumer.

This is the programme which would have shaped the destinies of Canada in 1917 had not the people been misled by the flag-waver, and this country would be in a far different position than that in which we find it to-day. Every Canadian, I am sure, will admit that this programme was the best that could be instituted in the interests of Canada, having regard to the conditions. We would have had a degree of free trade which certainly would have satisfied my desire as well as that of every honest free trader in Canada. The same object is embodied in the resolution which has been introduced in amendment by the ex-Minister of Finance, the member for Shelburne and Queen's.

The protectionist spirit, Sir, is not consistent with the principles of democracy. It is the masses of the people, ninety or ninety-five per cent of the population, who most require assistance. The millionaire can look after himself; it is the man in the factory, the workingman, the man who assists in the development of our natural resources, the man who gets his bread by the sweat of his brow—this is the man whom we should look after. Generally it is he who has the largest family. The object of his affections is at home, and if during the six working days of the week he must worry about how he may provide his family with the necessities of life, he cannot enjoy his home on Sunday. To improve the condition of these people should be the aspiration of every man who has to do with the administration of the country's affairs, and this applies not only to Canada but to every other nation. Henry George once said that the spirit of love, not hate, will produce happiness; that it knows no difference of race or creed; it knows no animosities. That,

Mr. Speaker, is the spirit of free trade, and whether or not we can put it into practice in toto, it is the spirit which should animate the people of Canada to-day.

I listened with great attention this afternoon to the remarks made by the hon. member for St. Johns and Iberville (Mr. Demers) with regard to the condition of the workingman. He said he would have the workingman prosper; he even said they should enjoy a portion of the benefits accruing to the businesses for which they were working. I consider myself a greater free trader than the hon. member for St. Johns and Iberville. I do not go so far as he does, but I do say that we should do all we can to bring happiness and contentment to the workingman, and only by enabling him to obtain under fair conditions the commodities which he must purchase for the sustenance of his family can we hope to make him happy and contented. If we make the workingman happy and contended he will rise in the esteem of the whole people; his work will contribute to the prosperity of the nation and he will be glad to do an honest day's work for whatever wage he gets.

With regard to the question of revenue, I submit that the raising of what I might call indirect revenue means the placing of the burden upon the masses of the people. Hon. gentlemen opposite express their approval of the income tax. It is true that we have had income tax for the last three years, but I may point out that the provision for income tax, while put into effect by hon. gentlemen opposite, is the work of the Liberal party. We had almost exhausted our patience in asking for it, and the Government had exercised all its powers of resistance against it. I and other gentlemen on this side from the very beginning of the war urged that we should have income tax and thus avoid borrowing in order to meet the expenses of the war. But during three years of the war, when the greatest prosperity prevailed in Canada, when immense profits were made and such a source of revenue would have yielded two or three times what it brings to-day, the Government took no action. Of course, the present Finance Minister is not responsible, for he was not here at the time. I am sure that if he had been here, he would, in his generosity of heart, have inspired his colleagues to better sentiments in this direction. However, I repeat that the Liberal party through its constant efforts in that regard is responsible for the introduction of this tax.

We are told that we must have a tariff; that a tariff alone can save the country. But look at the case of Great Britain. During the last sixty or seventy-five years she has had free trade and she has expanded her commerce so greatly that the English language is recognized to-day as the language of trade and commerce. Her trade has reached every shore and every ocean, and the principle of free trade, recognized by Great Britain, has been the means of engendering a spirit of fraternity and encouraging true Christian sentiments. It is the policy which has created Britain's great merchant navy—and it is to be remembered that it was Britain's navy which won the war and without which the victory could not have been ours. Surely that is a circumstance which should impress every nation.

On different occasions in this House the right hon. Prime Minister (Mr. Meighen) has referred to hon. gentlemen on this side as Bolshevists and wreckers. As I and the hon. member for Red Deer (Mr. Clark) have on many occasions in this House set forth the principles of free trade, I must be included in the reference which my right hon. friend made, in which hon. gentlemen advocating the policy of free trade were called Bolshevists and wreckers.

Mr. MEIGHEN: Perhaps the hon. gengentleman will do what hon. members of the Agrarian party have always failed to do in that regard. Would he be good enough to quote just what I said, before he seeks to attack it?

Mr. TURGEON: I have not under my hand reports of those speeches.

Mr. MEIGHEN: They never have.

Mr. TURGEON: But it is well known that they conveyed this idea as regards all those in this House who were opposed to him.

Mr. MEIGHEN: Oh, no.

Mr. TURGEON: The words "wreckers" and "Bolsheviki" were used.

Mr. MEIGHEN: Get somebody to quote what I said.

Mr. TURGEON: I am not so far away from the truth after all. I am not converted for all that to the principle of protection, and I sincerely believe in this great policy which is bound to be adopted in Canada, because, if there is in the world a country which has been made, by Providence, a country which should have free trade, it is certainly Canada with her mag-

nificent natural resources and her markets on every ocean and on every side. We can reach the countries on the Pacific ocean as well as those on the Atlantic. When I speak in favour of a diminution of the tariff as rapidly as possible, I do not think the result will be to injure the manufacturer. I have no objection to the prosperity of the manufacturer; I desire that he should prosper; and when I advocate an expansion of trade into the great markets of the world, my desire is to ensure his prosperity, for I say that the Canadian manufacturer will never prosper as he should, with the resources that he has at his command, until he has developed his trade with other nations, whether on the European continent or in the Orient. When I say that we can do with a lower tariff, I do not mean that I want to harm either the manufacturer, the employer or the employee. A protective tariff is bad, as everyone who will study the matter will admit; a tariff for revenue is better, but no tariff at all is better still. Let me prove my contention by this argument. We say that we must have revenue, and to get revenue we must have importation. You cannot have revenue unless you import. The more revenue you wish to collect by a tariff, the more you must encourage importation, and the more you deprive the labourer of his work and the manufacturer of his products. Supposing we collect $200,000,000 by a tariff. That represents a total importation of, say, $800,000,000. Therefore, it means $800,000,000 worth of commodities that the labourer has not been able to work upon and that the manufacturer has not been able to produce in this country. Therefore, the more you encourage revenue by importation, the more you deprive the workmen and the manufacturer of their prosperity.

This is a time when the people of Canada should encourage freer trade between the nations in order to restore harmony, more particularly between nations on the European continent and some other continents where agitation still exists in the minds of the people. This can be done by opening the doors to their commerce and asking those countries to join with us in trade as well as in other matters. Trade creates friendship, and with friendship we shall have peace. With animosity, we shall have war.

The Brussels Conference was referred to by the ex-Minister of Finance (Mr. Fielding) in a speech which he delivered in presenting his amendment. I should, however, like to read over again the two resolutions which he quoted from that conference, in order to impress more deeply upon the House the consequences which I draw for Canada from them. This is what the first one says:

> The Conference recommends that within such limits and at such time as may appear possible each country should aim at the progressive restoration of that freedom of commerce which prevailed before the war, including the withdrawal of artificial restrictions on, and discriminations of price against, external trade.

Another resolution is this:

> The International Financial Conference affirms that the improvement of the financial position largely depends on the general restoration as soon as possible of good-will between the various nations; and in particular it endorses the declaration of the Supreme Council of the 8th March last "that the States which have been created or enlarged as a result of the war should at once re-established full and friendly co-operation and arrange for the unrestricted interchange of commodities in order that the essential unity of European economic life may not be impaired by the erection of artificial economic barriers."

Such is the proposition laid down by those resolutions of the Brussels Conference at which the Minister of Militia and Defence (Mr. Guthrie) represented Canada, and I am proud that a representative of Canada gave his adherence to such resolutions, the putting into effect of which would fill my heart with joy and happiness, because I would see, in the near future, happiness and contentment in the various nations of the world. It is an invitation which, certainly, the people of Canada should not only accept with great pleasure, but endeavour to enforce upon other nations. Let Canada do her duty to-day as she did it at the beginning of and during the war. As in those days, love of the Mother Country, Great Britain, was able to bring from every ocean her millions of subjects and to unite them into one common bond under the beneficent smile of Providence, let again the same spirit animate us all in every clime, and in every country; let us here to-day, unite in the endeavour to promote peace, harmony, and good-will amongst the nations of the earth. We have been told that Canada is a great nation; that she enjoys a reputation beyond that of any of the greater nations owing to the sacrifices which she made in the war and the intelligent service rendered by our Canadian soldiers. If Canada is a nation big enough to be a member of the league, let her be a member big enough to be a leader in that league.

9 p.m.

Let us to-day put aside our prejudices and start in the direction of freer trade with other countries, so that we may be sure we shall not be confronted with another war in the future. We are asked, what else are you going to do? I say: Reduce the tariff so that our people may be able to buy the necessaries of life and educate their children, who certainly in the course of time will be the rulers of the country. We all know that very often from the families of the working men come those who are destined for the highest places in the world.

I have already on more than one occasion given my ideas on a system of taxation which is not new to this Parliament. I have dilated on that scheme very often and perhaps I should not touch upon it to-night, but I read a reference to it, not being present in the House, in the speeches of my hon. friend from Red Deer (Mr. Clark) and my hon. friend from Qu'Appelle (Mr. Thomson). I refer to a land values tax. I again advocate that system of taxation. I want it to be well understood that I am not advocating a tax on improvements to property, but merely on the unearned increment. The local Government are to-day raising revenue by the taxation of property, but they are taxing the improvements. I do not advocate that. I want only that land to be taxed that is unemployed, and that is being held mainly for the purpose of exacting a higher price. It is the mere value of the land itself that we should tax, and not the improvements, for that would be an injustice to the people of Canada. In any country the value of the land rises with the improvements and the general prosperity of the country. The construction of a railway or of public works in any portion of Canada causes the land in the neighbourhood to rise in value, and this added value that is given to the land should be for the benefit and prosperity of the whole country. To-day the farmer who has 100 acres of land upon which he works hard finds that the more buildings he erects and the more improvements he makes to his property the more he is taxed, while the farmer alongside of him who allows his land to lie uncultivated pays no tax at all. It is the land of this farmer, who is leaving his farm unused, without any benefit to the people of the community, that we wish to tax. And similarly with regard to the land in the cities. We do not wish to tax the improvements, but the vacant land that is being held for a higher price. If you tax that land, the owner seeks either to use it or to sell it. As I said, land values rise with the improvements in the neighbourhood and the general prosperity of the country, and it is certainly astonishing sometimes to see how greatly values rise. Every time I walk along Sparks street I am struck by the immense value of its property—a value which has been given to it by the Federal Government of Canada. What was the value of a foot of land on Sparks street or Bank street about fifty years ago before the creation of a Capital in Ottawa? Not very much. Since the session opened I saw in the newspapers that a piece of property with a thirty-three foot frontage on Sparks street, without a building on it, had been purchased by the Home Bank for $195,000. How much would that land have been worth if the seat of Parliament was not in Ottawa? Only about $400 or $500. The increased value has been given it by the Federal Government being in Ottawa and having erected buildings here, with all the necessary improvements in the neighbourhood. These improvements have meant that a piece of land that otherwise would have been worth only a few hundred dollars is now worth $195,000. If we have to raise $200,000,000 of revenue, we would have to raise from the city of Ottawa, I suppose, about $2,000,000 or $3,000,000, according to population. How much better it would be if we could help to raise that amount by taxing the land values in the way I have suggested, instead of raising the money by going into the home of the working man, the clerk, the school teacher, and the returned soldier, and extorting the tax from their tables and upon the things they wear. That is the difference between the two methods of taxation. A land values tax such as I have advocated will not interfere with exchange or transportation or with any other business. After all, this land value taxation is an old British Liberal principle. You can find that principle as far back as William the Conqueror, and my hon. friend the Minister of Finance knows I am right. William the Conqueror took possession of all the land and parcelled it out amongst his generals and officers and soldiers on the condition that they would always be prepared for military service. During this great man's reign the common people had no regular taxes to pay in connection with wars; the nobility were always in a state of preparedness. It was

only afterwards, when they refused to discharge their obligations, that the common people suffered and pauperism got a footing in Britain. The principle which I have stated is one that Campbell-Bannerman, Asquith, and Lloyd George advocated before the war, although Lloyd George of late has betrayed it. Even at the rate of one per cent we could raise a very large revenue by taxing unused lands, and by that means we could raise revenue instead of taking it out of the working classes, who find it difficult enough to provide themselves and their families with food and clothing. The sooner we have a Government that will introduce a system of this sort, the better it will be for the whole country. If this were done, the working classes would be grateful to the party that brought it about. Extravagance at any time is wrong, but to-day particularly it is criminal, and I think we can safely claim that the Conservative Government and its successors, since 1911, have been wasting the people's money. Now, I think that one way of putting an end to extravagance would be to tax land values. If this were done, the land-owners would themselves see to it that there was no extravagance on the part of the Government, entailing an increase in taxes in which they would participate; and I suggest this as one of the best policies that could be adopted.

Now, Mr. Speaker, I have perhaps kept the House too long. I regret my inability to place before you and before the country, the views which I hold on many subjects. Were I gifted with the eloquence, the impressiveness, and the clear expression of my hon. friend from Red Deer (Mr. Clark), or of the right hon. the Prime Minister (Mr. Meighen), I would use that gift in submitting, not only to the members of this House, but to the people of the country at large, the views which I have for the betterment of conditions in this country, and the opinions which, I think, if put into practice, would at least help towards the general prosperity. My opinions may not be acceptable to many hon. members, but I state them, nevertheless; and, as I say, my only regret is that I cannot express myself with the clearness which I should desire. I believe that there are many things which the Government could do to help the country out of its present difficulty, and I only wish they would do these things. In conclusion, Sir, I trust that the House will pardon me for having taken so much time in giving expression

[Mr. Turgeon.]

to the principles of British Liberalism which I have stated to-night, and which I think are the only right principles in the present conditions, not only in Canada, but throughout the world.

Mr. H. B. MORPHY (North Perth): In rising to make some remarks upon the subject before the House, I would congratulate the Minister of Finance upon the simplicity of his Budget and the fact that it tends to ease the public mind and to lessen the unrest that prevailed before it was presented. It has also resulted in releasing, to some extent, the direct burden of taxation which was in some cases rather vexatious. The lack of criticism of the Budget in the country and in the press shows a wholesome satisfaction on the part of the Canadian people, and proves that the Budget is one that commends itself to the public at large.

Canada has borne well tthe stress and strain of the war, and it is my opinion that the people of this country have returned to normal conditions more quickly than could have been reasonably expected. By comparison with the other peoples of the world, Canada, I think, stands out prominently as a country that was not stampeded and whose people were sane enough to realize that they have a duty to perform in maintaining that equilibrium and poise which have so well characterized the serious times through which we have passed. I think Canada is to be congratulated also, and the Meighen Government too, upon the state of affairs which has ushered in the new administration led by the right hon. the present Prime Minister. I think probably it would not be out of place to pay a compliment to the late Government of Sir Robert Borden, because it must have forcibly struck the mind of every independent and unbiased person who was carefully watching throughout all the great expenditures of the war and prior to it, that with the billions of dollars expended upon the effective activities of the great war by this young nation, the Government emerged cleaner, freer from scandal and freer from criticism, than I suppose any other Government in the civilized world engaged in the great struggle. That, of course, made for a broader way and a clearer path for the incoming Government; and I do not think there is in the public mind in the confines of Canada to-day—either on that side of the House or this, or throughout the country, from one coast to the other, any doubt that the present Prime Min-

ister is a worthy follower of the one he has succeeded and that in his hands the country's interests will be absolutely safe.

The question of free trade and protection has apparently come back, whether advocated by individuals among the Liberal Opposition or by the free trade apostles in an angularly opposite direction led by the hon. member for Red Deer (Mr. Clark). It seems to have come back at a time when every civilized nation of the world, England included, is practising and following to a smaller or greater extent, the doctrine of protection: whether high, moderate, or low the doctrine of protection is the ruling doctrine in all the nations of the world. As to the question of free trade, I was interested in a book entitled "The Cure of Poverty" which goes into the subject of free trade and protection in a very intimate and special way, and I would like the House to bear with me for a time while I cite from this book, written by J. Calvin Brown in the year 1914. Mr. Brown was then residing in England, and the book was written for publication in England and was published in that year. The author speaks of the question of free trade at large and defines the principle. His definition of free trade is an interesting one and brings us down pretty close, I think, to a proper discussion of the subject. He says:

> The term "free trade" is seldom understood and always misapplied. "Free Trade" is the unfettered and absolutely free right of every person both to buy and to sell in any market in which he can do the best.
>
> Such a thing does not exist amongst the peoples of any two nations in the world, and I doubt if it ever has existed.
>
> Properly to carry in mind the subject of "free trade" one must never cease to keep it divided clearly into two separate and distinct parts:
>
> 1. The free right to buy.
> 2. The free right to sell.
>
> Practically every man of every nation has, and always will have, the free right to buy in any market he desires, provided he is willing to pay the price, but in these days of tariffs few nations have the free right to sell in any other than their home markets.

To the casual observer of current events that strikes one at once. We are in a world of tariffs, and the free right to sell is limited to one's own country which is not affected by the tariff. The moment you talk about the free right to sell you are at the mercy of the other country you want to sell to which puts a tariff against you, so that in essence there is no such thing today in the leading nations of the world as free trade.

They say that England is a free trade country. Well, let us take the figures for 1914, and I take that year because—owing to the stress of war, the disruption of trade, the congestion of the arteries of trade, and the upheavals of one kind and another—conditions have not been normal since that time. I think, therefore, it is fair to consider the situation as it was in 1914. England as a free trade country has always—or at any rate for many years—had a customs tariff, and the strange thing about it is that it is a tariff largely upon the necessities of life. In 1912-13 the Government of the United Kingdom of Great Britain collected £72,000,000 from free trade duties, divided into £34,000,000 from customs and £38,000,000 from excise duties. Now a free trade country collecting duties as Britain did collect them, and collecting them upon these particular commodities would be looked upon as a peculiar example of free trade. I find for that year that the United Kingdom collected duties amounting to £6,000,000, or $30,000,000, upon tea—the household beverage of not only the rich but the poor. On sugar it collected £3,000,000, or $15,000,000; on tobacco £17,000,000, or $85,000,000; on spirits £4,000,000, or $20,000,000; on wine £1,000,000, or $5,000,000; and on cocoa and coffee £600,000, or $3,000,000. All these products came from abroad and could not, it is true, be produced in the United Kingdom. At the same time it was collecting these duties upon what would be considered, in practically every item, as the necessaries of life for the poor man as well as for the rich. Necessities of life for the poor man mean something. Necessities of life cannot very well be applied to the use of those who are abundantly wealthy and able to pay. This author then takes up the question and states that:

> A "protective" tariff is a system of high duties on such articles as are or could be overproduced at home.
>
> A "protective" tariii not only provides a larger revenue than a "free trade" tariff, but it is so arranged that the duties are collected on foreign articles which directly compete with home industries.
>
> The United States "protective" tariff is the most complete system in use at present by any country, and it is designed about as follows:
>
> In selecting the list of articles to be taxed the United States asks first: "Do we produce this article at home in quantities equal to the home demand? If not, could we?" "Is there any climatic or other reason why we could not learn to do so?" If the article is not, or could not be so produced, then it is put on the free list without any further discussion, because the American knows that any duty placed on such article must be paid by the home consumer.

Now the United States, for natural reasons, could never expect to produce coffee, tea or cocoa, and therefore these articles are free of duty in America.

Practically the English principle of putting duties on articles that they do not produce at home.

A most remarkable case showing the effect of a tariff is cited by this same author as follows:

When the McKinley tariff of 1890 was framed it was found, for instance, that the United States imported from Great Britain some 340,000 tons of tin plate per year and did not manufacture any.

The Government, after a thorough investigation, concluded that there was no reason why tin plate should not be made in America, and they forthwith placed a duty of 2.2 cents per pound on tin plate.

Tin plate was then selling in the United States at 3 cents per pound, and when the tariff of 2.2 cents made it possible for home producers to sell it for 5.2 per pound, the capitalists put up tin plate mills all over the country. The mills became so numerous and competed so vigorously among themselves that they soon pressed the price down to 2.8 cents per pound, and they now produce more tin plate than any other nation in the world, and in 1911 they used up over 8,000,000 pounds worth of raw tin.

In this case the "protective" tariff actually forced into existence an entirely new industry which now furnishes work for thousands of men, and uses up great quantities of iron, coal, etc., which furnishes further wages, practically all of which was formerly enjoyed by the British workman.

But there is another case noted which is of great importance. The author writes:

Prior to 1884 no soda ash was made in the United States and they imported 175,000 tons per year, and the price was $48 per ton.

The Americans were therefore paying to foreign producers $1,680,000 per year for this one article.

The Americans were paying for an article produced by foreigners, whose workmen were paid in foreign lands, and the American workmen had no benefit whatever, but the money for labour wages was all going to the foreign manufacturer, and the Americans woke up to that fact.

Congress put a duty of $5 per ton on soda ash, and home producers began to get into the soda ash business, until home competition soon drove the price down to $28 per ton from $48 per ton.

Exactly the same thing as happened in the tin plate business.

Without home competition the foreigner was charging an excessive price for this article, but the "protective" tariff not only forced prices down to their fair level, and thereby saved the consumers $3,900,000 per year, but it forced into existence an entirely new and prosperous home industry, which paid $800,000 per year

in wages and consumed 70,000 tons of home coal, 100,000 tons of home limestone, 10,000 tons of home coke and 100,000 tons of home salt, all of which benefits had previously been enjoyed by foreign peoples.

So that when one considers that a protective tariff is meant to encourage and foster home industries and protect them from foreign products, we have in these two cases of tin plate and soda ash concrete examples that prove the value of protection in supplying work and wages to your own home workmen instead of paying money to employ and benefit the workmen of foreign nations.

Now, in the United States they do not even refuse to consider the question of a bounty to advance their own prosperity. Some people hold up their hands in holy horror when they hear the word "bounty" mentioned in any fiscal or economic proposition.

"Bounty" is a reward or premium paid by the Government to the home producer of some article in order to give him an advantage over his foreign competitor which will enable him to compete with the foreigner without forcing him to pay the low wages paid by the foreigner.

In 1890 when the McKinley tariff was being drawn it was found that a duty of two cents per pound was being collected on imported sugar, and that home producers were making only one-eighth of the sugar consumed in America.

Note the proportion, only one-eighth.

The Government simply made sugar free of duty, thus saving the people $55,000,000 per year.

The free trader would say that that was a good thing. But how does it work out? At the same time they paid a bounty of two cents a pound to the home producers of beet sugar. Beet sugar is grown not only in the United States but largely in Canada, and we have a couple of large refineries at Kitchener and Walkerville handling the product of the farmers in Western Ontario. The output of those factories aids the home market to stem unfair competition and to bring to the doors of the people sugar made by our own refiners from beets grown by our own farmers.

This bounty amounted to only $7,000,000 a year.

The use of the word "only" seems to indicate that it is an infinitesimal sum in relation to the advantages brought about by the policy pursued by the United States Government.

This gave the home grower the same two cent advantage over the foreign grower, and

therefore resulted in a net saving to sugar users of $48,000,000 per year, or nearly $1,000,000 per week. The United States production of sugar at once increased, until in 1902 she produced 67 per cent of all the sugar in the world, in spite of the fact that the world's demand for sugar is ten times as great as it was in 1840, and is constantly increasing. In 1850 the per capita consumption of sugar in the United States was 22 pounds; it is now more than 70 pounds.

I am speaking of 1914 still.

There were 970 workmen engaged in growing United States beet sugar in 1899 and they received $1,092,000 wages. In 1904 the industry employed 4,000 workmen and paid them $2,500,000 in wages. In 1907 these figures were almost doubled and they have continued to mount steadily.

So that a protective tariff is not necessarily a prohibitive tariff.

Now, the question of the cause of England's greatness has been argued pro and con, some contending that she grew great through a policy of free trade, others that it was through a policy of protection of the strongest kind that she—shall I say, commanded the markets of the world by stamping out all trade on the part of nations who were once opponents and outstanding rivals in the trade field. It was not until then, through the most drastic policy of protection that any nation ever put in force, that Great Britain commanded the trade of the world. She beat down Holland by the most drastic piece of legislation, she went so far as to say that no commodities should be brought from foreign countries except in British bottoms commanded by English mates, and with at least half the crew British. In that way Britain directed the imports of foreign nations through her own merchant marine. It is rather painful for a Canadian to reflect upon how England in the early days, when she was making up her mind to be the trade centre of the world, passed legislation prohibiting the colonies from doing all sorts of things. I could relate them in extenso but I do not wish to take the time. That policy was pursued with a great deal of pertinacity and keeness, involving the most pronounced policy of protection which any nation ever put in force. In 1699 she passed a law forbidding the American colonies to ship any wool, yarn, cloth or woollen manufactures to any place whatever under penalty of forfeiture of both ship and cargo and a fine of £500. Another law was passed forbidding the exportation to America of any live lambs, sheep, etc., under severe penalities. In 1781 a law was passed forbidding the export of any woollen machinery. In 1782 the export of cotton machinery was prohibited and the emigration of artificers in cotton forbidden as well. That kind of governmental attitude and policy is construed to-day to have been, and was then one of the strongest measures of protection ever undertaken by any country. It went on for a long time, until it was observed in the United States that the policy of foreign nations was to glut the American market and drive the American workingman entirely out of his occupation and livelihood. Although the principle of protection has been in vogue in the United States from the earliest years, practically from 1789, there have since been times when they have had both protection and free trade. But the history of the United States shows clearly that every time there was a relegation from the stable principle of protection to that of free trade, the result was dire distress and the practical breakdown of the mercantile, banking and industrial systems of the country. The old doctrine of the free traders was that expounded by the economic school of Manchester led by Cobden. They followed their policy pretty closely up to and including the year 1846, and it was then prophesied by Cobden that in fifty years from that date there would not be a civilized nation in the world following a policy involving the principle of protection. Had Cobden lived till now —what would he have said with protection everywhere? The United States, having had in view the principle of protection from their earliest years, finally adopted that principle by successive pieces of legislation. On this point the authority which I have quoted says:

Great Britain literally poured her accumulated stocks of all sorts of merchandise into the United States, at far below their cost, and utterly demolished the manufactories of the United States. Lord Brougham declared in the House of Commons in 1816:

"It is well worth while to incur a loss upon the first exportations, in order, by glut, to stifle in the cradle those infant manufactures in the United States which the war has forced into existence."

Bankruptcy soon became general in the United States and financial ruin was everywhere. Benton gives the following picture of the period: "No price for property, no sales—except by the sheriff, no purchasers except the creditors; no demand for labour; no demand for farm products; distress was universal and relief the universal demand."

These conditions were brought about at intervals, and, as is well known to every man in this House, they occurred at those times when the people of the United States

left the same policy of protection and adopted a policy of free trade. I quote further from this work:

The first real "protective tariff" of 1824 was hailed with joy by all save the free trade politicians and their allied press. These predicted that all sorts of calamity and ruin would result and warned the country of the awful conditions which must follow. A leading article in the New York Evening Post, a leading free trade journal of that time, said:

"Pass this tariff, and you palsy the nation. Pass it and where will you any longer find occupants for your costly piles of stores and dwelling houses? Pass it, and who will be exempt from its grinding operations? The poorer classes especially must feel its effect in paying an additional price for every article of clothing they wear and every mouthful they eat or drink, save cold water, and to that will they ere long be reduced."

A fearful picture to contemplate, but it did not work out just in that way. In fact, none of these things happened. According to this authority:

Instead of "palsy" the nation trembled with energy let loose, all the American factories opened at once, labour was in great demand, no one was idle, wages went up rapidly, and millions of emigrants came and were also put to work. This condition continued until 1833, when the barking, hungry politician and intriguer—

This sounds a little strong, but I fancy that some may find that it applies in some countries.

—again secured control of Congress, not on a straight fight on tariff, but as a compromise or "sop" to the politicians of the southern States, who were in almost open revolt against "protection."

The southern states did not want protection because there was no free labour there. The people were slaves; they got no wages; they got their keep. Consequently, there was no working man of the ordinary style in the south. According to this authority:

Her labour, being slaves, had no votes and received no wages, therefore "protection" could not help them, and they would not help "protection."

So that the south was solidly against a policy of protection. And again:

The southerner objected to a tariff forced on him for the benefit of the northern manufacturer and paid labourers. And this was the strength which kept the "free trade" party alive and made it possible for it to defeat the "protective" tariff in 1833.

The result of the repeal of the "protective" tariff was certain and instantaneous.

Bankruptcy again became general.

Factories again closed. Labour was unemployed, wages fell, and conditions went rapidly from bad to worse, finally culminating in the worst financial panic (1837) till that time experienced in the United States.

The whole country went into liquidation, bank loans and discounts fell off more than one-half.

[Mr. Morphy.]

The people again took the bits in their teeth, and in 1842 passed another "protective" tariff over the veto of President Tyler (a southerner).

Business again began to boom. The old factories all opened and new ones started, labour was all employed and everywhere in great demand, wages advanced and farms found a ready market for their products.

President Polk, the successful candidate, carried on a double-faced campaign.

He was, privately, in the south, a declared advocate of "free trade" and slavery extension, but he could not be elected by the south alone, but needed the support of the vote of the northern state of Pennsylvania, which was strongly "protectionist."

To fool the "protection" voters of Pennsylvania, Polk wrote his notorious "Kane" letter, in which he managed to evade a definite declaration, but led all to suppose that he would not, if elected, allow the "protective" tariff of 1842 to be interfered with, and to make the deceit more complete, he caused George M. Dallas, a resident of Pennsylvania, who professed to be an out-and-out "protectionist," to be nominated as his vice-president (a position of no power whatever, but possessing a deciding vote in the Lower House), and in this tricky way his "free trade" party gained power.

This 1846 "free trade" Bill was strenuously opposed by the entire north, but the Bill was barely carried by the casting vote of that same George M. Dallas, who had professed himself an avowed "protectionist."

That ancient history in a way has a very close parallel in this House and in this country. Some hon. gentlemen are very prone to pretend that they are what they are not. They do that for the same reason that the politician in the United States used to do it; they act in the same way that this gentleman, Mr. Dallas, did, when he cast his vote against his convictions for the sake of getting into office and holding his party in power.

It was in a speech, lasting three entire days, during this debate that Daniel Webster coined the famous phrase, which is well worth remembering, "Where there is employment there will be bread."

This phrase contains all the arguments really necessary against free trade and in favour of protection. Hon. gentlemen opposite, I believe, really do not understand, or they declare themselves not to be willing to appreciate, the fact that one of the greatest resources which Canada has is her man-power, her woman-power, her working man and her working woman, the man who sweats in the modern shop, who toils in the coal mine, who works in the factory and woman who works in the factory. Where there is no work, there is no bread, and this country cannot be a great country by following any specious policy of narrow sectarian interests. In order that Canada may be a great coun-

10 p.m.

try, the good of the whole people must be maintained and must be loyally supported by every red-blooded human being who takes interest or part in the economic, civic, or parliamentary life of this country. We talk about our natural resources. What would the farmers products be without the man-power? What would be the merchant's power, the railways' power, the power of any class of the community without the man-power? What would the interests do without the men of this country, the machinery makers, the worker of every kind? Therefore, one of the great features that governments have and ought to have, in mind is the conservation of the livelihood, yes, the more than livelihood of the toiling masses of this country. You cannot have that conservation unless you have a stable policy that gives encouragement to the home market, that goes for the upbuilding of great home industries, that goes for the building of those factories which have been the result of the policy laid down by Sir John A. Macdonald in 1878. Give me the policy that gives me power against your free trade theories and theses and Canada will blossom like the rose. Agriculture will be encouraged; industrial life will be encouraged; factories will spring up and they will be everywhere.

They have sprung up and they are almost everywhere; they are in Quebec; they are in Ontario; they are in the Maritime Provinces; they are going into the West and the moment they get more fully into the West, the western farmer will have a greater market for his smaller products and some of his larger products. That is a policy which appeals to me from the standpoint of a proud Canadian who wants to see his country go ahead, no matter what Government may be in power. The policy of the Government in power is a political matter; and should be approached with fear and trembling lest a mistaken policy, a fatuous policy, might be put forward in this Parliament that would unsettle the policy that Sir John Macdonald inaugurated in 1878 and Sir Wilfrid Laurier carried on for the sixteen years during which he was in control of the purse strings of the country. He took cognizance of what happened to Grover Cleveland in the latter part of 1895 and the early part of 1896, when Mr. Cleveland went to the people on a free trade policy. He was returned; but Congress turned him down; they over-ruled his veto, and he could not put his policy into force. Sir Wilfrid Laurier took cognizance of that fact, and though he preached practically free trade issues at that time, when he got into power and his party sat on the right of the Speaker, he turned his coat upside down and inside out and he reverted to the policy of Sir John A. Macdonald, the policy of a strong, virile, moderate protection for the benefit of every class in the Dominion.

I wonder what the hon. member for Cape Breton North and Victoria (Mr. McKenzie), if he were to speak his honest opinion, would say as to a policy of protection upon steel and coal in the Maritime Provinces. He has declared himself in the past, but I presume he will vote for this amendment because of the political aspect, and because of the hope that he may get into power. The hon. member for Shelburne and Queen's (Mr. Fielding), has admitted that he is not against protection; that he is in favour of protection. The hon. gentleman will not deny that. Yet he is going to vote for an amendment that may mean anything at all or everything. The people of Canada want an outspoken individual expression of opinion from the leading men in this Parliament upon this, the great question at issue before the Canadian people to-day, and especially from hon. gentlemen who are so prone to express themselves so freely, ad lib., time after time, on every other subject under the sun. Their silence must be construed strongly against hon. gentlemen opposite, as a silence that involves the question of political chicanery, the fighting of an unfair political battle—a silence which we on this side of the House, speaking for myself at least, believe weakens them, while they believe it strengthens them. To-day with Canada's burden of two billion dollars of debt caused by the war, over and above the ordinary debt, in a crisis like this the public want stability; they want public men to speak out and to sink their party differences. I do not believe that the public of Canada will stand for one minute for public men refusing to get up in this House and taking the stand they have taken before, at a time when it is more necessary to speak out than it ever was before.

I do not know what the tariff will be in the United States, but there is no question to my mind—as they have announced by the Fordney Bill, and now by the Young Bill—that their tariff is going to be higher than it has been for many, many years. Why? They claim they are raising their

tariff for the sake of agriculture in the United States. Hon. gentlemen must remember that it is the American people who tell us what we can sell in their country, and it is the Canadian people who tell them what they can sell in our country. It has been said by economists that one of the most useful purposes to which a tariff can be put is that of a weapon for bargaining. It enables you to say: We will trade you this for that so long as it does not injure any interest that is necessay to our country or injure any of our institutions. A country like Canada, with eight millions of people, that would adopt free trade with the highest protected country in the world at her doors, with a population of one hundred and ten millions, would be committing national harikari, or a crime, call it by any other name you will, that would put her out of existence in the twinkling of an eye.

Having said that much, may I suggest to the Government—I know the hon. member for Shelburne and Queen's (Mr. Fielding) will not agree with this, for this matter has been mentioned in the House before—that at the present time they should look a little forward in regard to our own trade problems. Internally, I think, Canada has weathered the storm pretty well. I think she is entitled to be proud of the sanity and level-headedness of her people, but at certain times in our history I believe there is a duty upon Government to do a little more than probably they would do in ordinary times. In that connection I want to point out that last year the United States sold to Canada over $1,000,000,000 of their products, while we sold to the United States about $552,000,000; that is, the United States, with 110,000,000 people, sold $2 worth of goods to us, while Canada, with a population of 8,000,000, sold $1 worth to them. Our trade stands out very prominently there, because one might have expected that a country like the United States with their gigantic industrial system, their large organizations and their much greater population, would have sold their goods to us in a greater proportion than two to one, but thanks to our tariff we have held them to a reasonable basis. If we had free trade, they would sell to us every dollar's worth of goods that we wanted, and this country would go out of business industrially. The United States has adopted a different position from ours. They went after Canadian trade, but Canadians did not go after American trade. This $552,000,000 of Canadian goods was sold to the United States without Canada trying to sell them. What I means is this: the United States has in this country ninety-two consuls-general, consular agents and trade agents. For the benefit of the House I would refer to the report of the Secretary of State for External Affairs of this Government, for the year ending March 31, 1920. At page 9, appendix A, of that report you will find the names of all the American consuls in this country. They have two or three in Montreal and Toronto, several in Vancouver, and in all our cities from Halifax to Vancouver there is either an American consul-general, an American vice-consul, or an American trade agent. We have not a blessed one in the United States with its market of 110,000,000 people, while they have 92 in this country. What for? Why, to look after the interests of the United States in Canada. I repeat, we have not one to look after our trade interests in the United States. These consular agencies of the United States in this country have put themselves on a self-sustaining basis. Under their regulations every shipment of goods from this country to the United States must be accompanied by a fee for viséing the invoice. In the eight years from 1913 to 1920 there have been collected from the Canadian people in these fees on Canadian shipments to the United States the sum of $2,595,326.92. The total expenditure for Canada was $1,630,823.80. Thus, the consular agents of the United States, out of these fees from Canadian pockets in these eight years, have made a profit over all overhead charges for the maintenance and upkeep of their offices in Canada of $964,503.12.

Mr. DuTREMBLAY: Does the hon. gentleman pretend that we have no business representatives in the United States?

Mr. MORPHY: I believe so. I have not been able to find them. While we have no business agents there, Great Britain has. She has 115 trade agents in the United States, including the ambassador. What for? To look after British trade in that market, protection or no protection. Great Britain is alive, up to date; she has 115 trade agents in the United States. What did we export to the United States last year? I will give some of the exports in round figures: paper, $50,000,000; wood products and pulp, $32,000,000; shingles, $10,000,000; fish, canned and salted. $9,000,000; leather, $4,000,000; butter, $5,000,000; milk, canned and condensed, $2,000,000; flour and mill products,

$4,000,000; confectionery and maple sugar, $1,500,000, most of the latter, no doubt, from the constituency of my hon. friend from Beauce; binder twine, $3,000,000.

Flax and products	$1,205,000
Wool clothing	1,000,000
Rolling mill products	1,687,000
Smelted products	4,769,000
Asbestos products	6,752,000
Abrasives	1,355,000
Fertilizers	4,624,000
Inorganic chemicals	3,134,000
Scientific and educational equipment	1,100,000

Roughly speaking, $160,000,000 is represented in these items alone, of goods partly manufactured and wholly manufactured. It seems to me that with that list alone, and it is not complete, it ought to be worth while for our Government to give close attention to the establishment in that country of an export market for Canadian goods in spite of the tariff which they will raise, because I maintain that the higher the tariff the more need there is for us to work to get an export market, and if we do not have an export market for our goods, the exchange will be against us forever. If there is anything in the economist's statement, that exchange is adjusted and regulated by exports of goods over and above the goods you import, then this is, to my mind, indubitably a case where I would want some one to show me some reason why Canada should not be represented in the United States, and endeavour to put the products of Canadian industry into that country. We should seek a greater export market, not only there, but throughout the world, and thus improve the state of Canadian exchange and give to Canada that opportunity in the markets abroad to which she is entitled if prompted by activity. But some gentlemen will say: Oh, let the manufacturer and the merchant, the men who have goods to sell, go over there and do it; it is right at their door. Well, it is about as long a journey from here to the western United States as it is to Liverpool. Liverpool is almost as close to the United States as we are to the remote parts of that country. But the question which I should like to have answered is, why Canada has no trade agents there while Britain has 115. I do not suggest that the commercial activities of Great Britain would be pursued and developed at the expense of Canada. I have never heard it suggested that this should be done, and I cannot conceive it to be so; but I will venture, without fear of successful contradiction, the statement that the British trade agent is looking especially after British trade and not Canadian; and our trade would be greatly increased if we had in the United States, commensurate with their population, a staff of trade agents from Seattle or San Francisco to New York, and down to the Gulf of Mexico, and throughout the Eastern States. If we had, in every important city of the American union, a corps of properly trained agents skilled in business methods, we should be able to extend our trade with the United States, to an extent hardly conceivable, and where we sell $552,000,000 worth of goods in a year, without special effort, the amount we could sell, if we did try through the work of trained agents, would be so great, in spite of a tariff which might be prohibitive in some respects, that it would redound to the everlasting welfare of this great Dominion. We have trade agents in Asia and Europe, so that the principle is not new. Now, what other benefit would there be from having trade agents in the United States to look after Canadian interests? In the first place, if the United States in Canada, with a consulate service numbering 92, can make nearly $1,000,000 a year more than it costs to maintain the service, surely it is not too much to say that Canada, with a service of equal strength, could make a million and a half dollars more than would pay the way of these trade agents, in view of the fact that their trade shipments are greater to Canada than ours to the United States. The trade agents would be live wires, because, of course, you would have to send none but live wires. There are hundreds of young men, commercial travellers and business men, in this country who I believe could do wonderful work if this policy were adopted. Indeed, there are thousands of them and they are of the brightest minds we have in business and trade. Let them go over. If we have an ambassador there, all well and good; but if I had my choice between an ambassador on the one hand, and a number of trade agents on the other, I would elect for the trade agents every time, and leave the ambassadorial work to the British Embassy. Let us get into the British ways of trade expansion and "go to it" as a young man would say. These trade agents located there would be active and energetic and would prevent smuggling into this country, because every invoice would have to be visé and would pass through their hands. They would also prevent any improper valuation, which is something that invariably we are up against here. It is said

that the American invoices are sometimes not up to the home market value and the goods getting in at an under valuation; they call it a method of dumping. The great bulk of the United States' traders are, of course, honest, but many of them seek to gain some advantage by this process. If the invoices pass through the hands of our own trade agents they could not do it, because the agents would know the values. Besides this, a trade agent in the United States would be in the most favourable position to learn public opinion, and to know what the masses of the people were thinking. They could ascertain more quickly and more clearly what the people were thinking in a trade way in this section and that section than our Government can possibly know, located here in Ottawa. I venture to say that the American consuls in Canada to-day—the 92 of them, including the three consuls general and the vice-consuls—know more of actual conditions of trade in Canada in many sections than the Government or any branch of the Canadian people. They are on the spot and they know what is going on.

Without attempting to prolong my remarks—there are many things one could suggest—I once more want to make an appeal to the Government, in whom I have every confidence. I believe we have to-day as honest, as upright, and as capable an Administration as the public life of Canada demands. I believe it is composed of gentlemen whose honour and integrity are above reproach, and the people at large have confidence in the present Government. Feeling that way, I would just turn for a moment to the attack that has been made on the Canadian Merchant Marine. I have often felt that it was rather a remarkable position in which Canada stood, that although we produce our hundreds of millions of bushels of wheat in the West, and although we transport that wheat through Canadian territory,—and I am happy to say that it will furnish traffic for what I might call the White Elephant which honourable gentlemen across the way gave us, the national railway,—we do not ship it all through a Canadian port. I believe the western farmer can do a great deal himself. I saw the most wonderful oatmeal in the Ottawa shops made, I think, in Moosejaw. I do not see why our western farmer cannot get into the industrial business of working up his oats and his wheat and pease in greater quantities. I do not see why, out in the West they cannot take the natural resources of the country—the products of the farm, the timber, and the coal—and work them up industrially, to an extent beyond their own western needs and ship the finished products abroad —ship them over the national railways to the ports of St. John, Halifax or Montreal where these vessels ply, and let these vessels carry the products of Canada overseas and seek return cargoes. It is all very well for the hon. member for Red Deer to say, in his self sufficient way, as he said it in this House—thinking that the British seamanship is the only thing in this world—"Oh, what is the good of taking cargo one way and coming back empty?" Well, we have the vessels, we have the making of our own rates, we are independent of competition. We have a merchant marine as well as a national railway the property of the people of Canada. If we give a fair trial to these great public enterprises, both the outcome of the war, if we follow the principles that I have enunciated, if we insist that the products of Canada shall be transported over the national railway as far as possible and also over the Canadian Pacific Railway, another great national undertaking, although not owned by the people, and if we load these products at our ocean ports into Canadian vessels, and transport them abroad to the countries of consumption, we will not only build up a great trade for Canada but we will ensure for our merchant marine return cargoes.

To that end the appointment of trade agents may be necessary, and I would double, treble and quadruple the number of trade agents in England unless somebody can show me some good reason why we should not do it. I do not think I have ever noticed England refusing to compete with the industry of Canada. Her products of all kinds enter Canada, and she would take no objection to the brightest jewel in the Crown invading the mother land and endeavouring to get return cargoes. To me the shipping of this country is of great consequence. I believe in standing for Canada first in all those things that have sprung from and are indigenous to the soil of this country. Will hon. gentlemen opposite for the sake of a carping criticism play the game of little Canadians in endeavouring to belittle the merchant marine of Canada? It is something that they helped to build, they were in favour of building it, and it will some day be of great advantage to the western prairies; because that merchant marine would not be on the ocean merely, it will be on the great lakes taking the cargoes of grain from Port Arthur and Fort William; and when

ultimately the Welland canal is finished and the other canals are in good shape it will be taking out of the West in Canadian bottoms the golden harvests of the West at the cheapest rate that will ever be maintained by any service that this country can give. If hon. members want to play the game of trying to make political capital of the merchant marine they will have to reckon with the people.

What I have outlined suggests a great idea to the realization of which we can look forward. I am not a pessimist. I believe that when we Canadians have the power we should have the courage, after looking carefully into these things, to go full steam ahead at this time. At this crucial period, the critical turning point in Canada's history, the burden of debt will not be such a bug-a-boo if men on both sides of this House will sink the littleness of Canadian political life and rise up determined to make the industrial life of Quebec strong, to make the industrial life of Ontario strong, to make the fisheries of the Maritime Provinces strong, and develop the coal and timber wealth of the far West and the great resources of the prairies. We have to do this ourselves. We are living beside a nation that will not do it for us, except to our disadvantage and for their great advantage. We must therefore in our national development be independent of the whole world. So let us put our hands to the plough and not turn back.

Mr. J. ALFRED LEDUC (Westmount-St. Henry): I deem it my duty on rising to congratulate the hon. gentleman who has just resumed his seat (Mr. Morphy) on the thoroughly efficient manner in which he extolled the Government's action and policy. I am not at all surprised at the hon. gentlemen's eulogy; I think he still hopes to enter the Cabinet in which there are yet "rooms to let." I imagine his object in making so lengthly a speech must have been to qualify himself for a portfolio.

The hon. member for North Perth dwelt on the importance of having Canada represented by trade agents in the United States. This policy was first advocated by a former member for St. James, Montreal, the late Honore Gervais, who for many years favoured such a course in this House. What Canada needs at the present time is not an ambassador at Washington for ceremonial purposes but a real business man to develop trade with our great neighbour to the south.

I am certain that nobody in this chamber will refuse the Minister of Finance the admiration which he deserves for his courage in the presentation of such a poor Budget. For my part, I do not deny him my warmest sympathy in the thankless task which he had in explaining to the country the lamentable state of affairs for which the present Government is responsible.

Lamentable, it is in reality, Mr. Speaker, for to the enormous debt under which the tax-payer is already overburdened, one must add the trifle of over one hundred million dollars for this year, despite the promises made last year by the Minister of Finance that the national debt would be reduced.

I doubt very much if, when he made this consoling promise, the Minister of Finance had taken the time to measure the incompetance of the Government into which he was invited to enter. Had he done so he would have maintained a prudent silence, instead of blaming inwardly those who drew him into this chaos where now hs finds himself with his unfortunate though honourable colleagues.

How far are we, Mr. Speaker, from those blessed times when, after twelve months of fruitful administration, the honourable member for Shelburne and Queen's (Mr. Fielding), then Minister of Finance of the Liberal Government, unrolled before the amazed eyes of the country the spectacle of the prosperity existing from one end of the country to the other, the spectacle of peace and concord reigning among employers and employees. How far we are, Mr. Speaker, from that happy time when we saw every factory in the country smoking night and day and where we saw our dear Canada advancing by giant strides towards her destiny, under the vigorous impulsion of our ever to be regretted chief, the right hon. Sir Wilfrid Laurier.

To destroy this magnificent work ten years have sufficed, Mr. Speaker, of a government born in 1911 of the alliance, justly called immoral, of the Tories with a handful of political adventurers disguised as Nationalists, wrecks of the two parties who were thrown on the reefs of the indignation of their compatriots.

I can quite understand, Mr. Speaker, that the right honourable predecessor of the present Prime Minister, oppressed with a sense of discouragement and fright at the sight of the ruins of his party, might have wished to throw on the shoulders of the right honourable member for Portage-la-Prairie the weight of the universal repro-

bation under which the Canadian electorate proposes to smother the present Government at the next general elections; for, it would be just that the right hon. Prime Minister, principal author of these fatal politics, should behold their disastrous consequences.

If now, Mr. Speaker, we cast a glance at the state of our finances, we are amazed to find that not only has our debt not diminished, but it has increased, as I indicated a moment ago, to the truly colossal sum of two billion three hundred and fifty millions; and if we seek the cause of this increase, we find it in the foolish policies of the Government, which, since 1911, has clung to power by means of all possible concessions;—policies, foolish and disastrous, I repeat, chiefly in three cases: An imprudently immoderate participation in the European war, costing us the loss of millions and millions of dollars, which otherwise would be available now; absurd railway policies which have this year absorbed one hundred and thirteen millions of dollars; and, finally, unlimited waste, added to the improvidence of a Government which has done nothing to guard us against the labour crisis at present raging throughout the country, the reverberations of which are shaking the economical structure of the nation.

I was in favour, Mr. Speaker, of reasonable and limited participation in the European war, but I absolutely disapprove of the manner in which the Government conducted it. Instead of enriching certain of their favourites with millions through large war contracts, why did they not take over, for instance, the control of the manufacture of munitions, even if it were necessary, as in the case of the erection of this Parliament building, for example, to allow a percentage of reasonable profit to the different firms having charge of the manufacture of munitions for the account of the Canadian Government, thus saving to the state millions which were scandalously wasted to gorge the pockets of a few personages in the good graces of the Government.

The right hon. the Prime Minister, Mr. Speaker, has a right to be pleased with his work—he, who, in 1915, swore to spend up to the last cent of the treasury, even if it was necessary to bring the country into bankruptcy. I spoke a little while ago of the railway policy of the Government. It is not surprising to us on this side of the House that the country is facing disaster; from the moment, when, by a turn of the hand, the right hon. chief of the Government, instead of asking the administrators of the private railways the secret of good direction, bought the Canadian Northern and the Grand Trunk, it was to be foreseen that the same disorder, the same contempt for the safeguard of the money of the Canadian people, the same wild dance of dollars would bring us rapidly to the regrettable situation in which we find ourselves to-day, by the accumulation of annual deficits. But, how to get out of this mix-up, Mr. Speaker? I would suggest to the right hon. the Prime Minister that this should be put before the committee appointed to consider these questions, and the suggestions made by that capable business man, Lord Shaughnessy, should be taken into serious consideration.

I may quote, Mr. Speaker, an article from the Financial Times of January 29 last on a speech delivered by Sir Herbert Holt at the annual meeting of the Royal Bank of Canada, which reads as follows:

"Government control has practically disappeared during the year just past—wheat, paper and sugar being the commodities to be freed from regulation. Government ownership of transportation systems has developed. Without any advantage to the public in efficiency or rates, the operation of our national railways during the past twelve months has resulted in a loss which will probably more than absorb the amounts collected on excess profits and income taxes for the year 1919. Unless Government methods of operation are more efficient in this country than they have been in others, tax payers in Canada may find the maintenance of their railroads and fleet more expensive than pension charges and other legacies of the war combined."

These few sentences constitute one of the most graphic denunciations of the evils of government ownership it has been our privilege to read in a long time. Time was when the mention of millions almost took our breath away. A millionaire was as well worth seeing as a crowned head. It was not necessary to go beyond millions to express the superlative of all things. The war ruined our perspective. We began to talk of millions as though they were merely thousands. It is no longer possible to waken the Canadian public to a realization of what government operation of railways may cost by expressing it in figures. What if it does cost $50,000,000 or $75,000,000 per annum? The Finance Minister will borrow it or dig it up in some manner. The cost does not seem to come home to us. We will pay it along with other costs and grouch about our heavy taxation and let the government continue to extend it field of operations. We will ask it to loan us more money to bulid houses with and to finance other operations or interfere in other matters of business which we should be attending to ourselves and which will only result in further deficits and increased taxation.

President Holt of the Royal Bank, however, avoids much reference to figures. Instead, he tells us that government operation of our railways will probably result in a loss which will

exceed the governmental revenue from excess profits and income taxes. Could anything bring this matter home to us in more vivid manner? The whole business world denounces the excess profits tax and practically everyone who pays an income tax does so with rage in his heart against the German junker who is supposed to have laid him under the levy.

But, here, in Canada, and altogether independent of the war, is a levy which we, as good democrats and as electors with the freedom of the ballot, have placed upon ourselves. The excess profits tax and the income tax go to wipe out the annual deficit of our governmental system of railways. Nay, the situation is yet worse. This whole burden of increased tatxation which we labor under promises to go finally but to wipe out the annual loss incurred in the operation of our railways. We are not paying the interest on our war bill with it at all, we are not even paying pensions—we are just breaking even—on governmental operation of our railways. Presumably this means we will have to tax ourselves all over againt to pay for the war. Truly it is a condition of affairs of which we have little reason to feel proud.

As long as the Government persists in its nefarious policy of helping certain gangs of financiers—if I may use the expression, Mr. Speaker—interested in the maladministration of the railways, by administering them in the worst possible manner, the Canadian people must hold themselves ready to meet the growing deficits from year to year.

I have been asking myself, Mr. Speaker, how the Minister of Finance could make up his Budget this year without borrowing. There remains to him, it is true, the imposition of new taxes. As to that, the Canadian people would have little to say if the Government would divide the burden equitably and proportionately to the resources of each class and of each individual. I understand that again this year the Government is following the detestable custom it followed during the war, when it placed its rapacious hand on the shoulder of the small contributor, the man who had brought up a large family only to make food for cannon, while it exempted those who rested comfortably at the fireside and amassed exorbitant profits. Following this policy, the Government has lifted the tax on luxuries, which, to my mind, was a just tax. It has also abolished the tax on profits, thus lightening the burden of the rich, very often with few if any children, and shifting it to the poor, frequently the supporters of large families. Further, the only capital which should have been spared —the human capital furnished by these numerous families and which in the end, constitutes the wealth of the nation—was again this year particularly hit for the benefit of capial held in the hands of a minority which compromises by its monopoly the equilibrium of the country.

I cannot, Mr. Speaker, let this occasion pass without saying a few words about the high cost of living, which has regularly increased every year under the placid eyes of the Government—a Government more occupied in conducting throughout the country a campaign of racial hate to ensure its return to power than in giving attention to matters of this kind. While the humble labourer was asking himself how he was going to meet the needs of his family, the profiteers and monopolists of all kinds were occupying themselves in artificially raising the cost of living and hastening to protect their fortunes by buying up nearly a billion and a half of Victory bonds—free from taxes through the imprudence of the Government—and openly defying the Board of Commerce, the institution supposed to be designed to regulate their profits. Mr. Speaker, if I were to enumerate all the errors accumulated by the incompetence of the Government during the time it has had charge of the country's affairs it would be necessary for me to retain the attention of this chamber for a much longer time than I intend to occupy.

May I be allowed, Mr. Speaker, to protest in advance in the most vehement manner possible against any attempt to change anything which touches the actual state of our foreign relations or to involve us in new military or naval expenses outside of our country without the unanimous consent of this House? I allude to the next Imperial Conference, in which the Government has given itself carte blanche to take part. Too often our autonomy has been sacrificed at these Imperial conferences and heavy burdens imposed upon us under the pretext of our being admitted to the rank of sister nation. Too long the Imperial statesmen have tired our ears and fascinated our eyes with the words "equality" and "sister nation", while they sacrificed our children, exploited our finances and endangered our liberty. Before we become embroiled to our great detriment in Imperial affairs, let us remember that our country is Canada and that no others than Canadians can ensure her prosperity and future.

I see the hon. Minister of Finance in his seat, although I know he is there not specially to listen to me, but to fulfil his duty. I would like to ask him if he has ever considered the advisability of reducing the income tax upon the heads of large families. Has he ever put to himself this question: Suppose I were the father of a family of seven or eight children, my income is $3,000, and I am exempted on $2,000.

Sir HENRY DRAYTON: My hon. friend must know that if his income was $3,000 and he had seven or eight children, he would be exempt from taxation on $2,000 and on $200 for each child, so that he would have nothing to pay.

Mr. LEDUC: My point is this: the education of many children is continued after the age of eighteen. I have never seen a law student attending college who was under eighteen years of age. For my part I have seven children at college, all over the age of eighteen, and I am trying to do the best I can to educate them. A boy or girl who is going to school should be called a child, for that matter; he is a child so long as he is maintained by his parents. I ask you gentlemen who are lawyers how much money you brought home before you were twenty-five years of age.

Mr. McMASTER: Not much.

Mr. LEDUC: I do not think many hon. members who are lawyers brought home any money before they were twenty-five years of age. I would ask the minister to consider this question and see whether he cannot take that burden off the shoulders of parents. The amount by which the revenue would be reduced, if the minister were to adopt this suggestion of mine, would not be very great, because not many who have large families are rich.

In conclusion, I may say that, in accordance with the brief remarks that I have made this evening, I am going to vote for the amendment moved by the hon. member for Shelburne and Queen's (Mr. Fielding).

Mr. A. M. DECHENE (Montmagny) (Translation.) Mr. Speaker, the hon. minister of Finance seems to be happy since he has given us the result of his burning the midnight oil to impose the financial condition of Canada, but the people were disagreeably surprised at his Budget speech. In fact, what is there in that statement to show his desire to dress the wounds of the Canadian consumer and to alleviate the heavy burdens weighing on his shoulders? Almost nothing, and if the hon. minister has worked hard during the first months of the session, it was surely not for the purpose of finding a fairer or most efficient way of portioning out the taxes from which we have so much to suffer at this time. The remedy which he has found—and that remedy is always the Tory party's remedy—consists in enabling as much as possible the great business corporations to pocket big dividends; it consists in not disturbing the big financiers who control those corporations, dispensing them with making a report on their enormous revenues. A much simpler mean was found: They increased the tax on retail sales from 2 to 3 per cent. This tax, which was already 2 per 100, has been increased by 50 per 100 of its original figure, doubling, by the very fact, the burden imposed upon the Canadian consumer. Why? Simply in order to enable the great financial corporations to easily overcome the very serious crisis now affecting every country in the world, and especially to make the most of the good will of those people with respect to the coming election.

Some hon. MEMBERS: Oh! Oh!

Mr. DECHENE: I hear some hon. member say: Oh! Oh! May I be permitted to remark that the whole country has gathered from the stump speech delivered by the Prime Minister the other day, that we are to have at an early date an election, and a general election at that, thank God—and that it was necessary to submit to the people, by all means, a series of small arguments, since there were no serious ones to submit.

The Prime Minister's speech, which laste for two hours, is far from being what could be expected from a statesman. To my mind, it was a cross-road politician's speech. It was very easy for that hon. gentleman to tell our colleagues of the Agrarian party: "Why did you not come forward with your tariff, with your fiscal policy?" It was easy also for him to say to the hon. leader of the Opposition: "Why did you not include in your amendment all your policy concerning the tariff?

Mr. Speaker, to blame an opponent is an easy thing to do, but while the Prime Minister had the floor, while his Minister of Finance was preparing the Budget during the two months, why did he fail to state his own permanent fiscal policy or why was it not announced in the Budget; it was such an easy thing to do? But the hon. gentleman drew the curtain over his own policy, he buried the great inquiry which his beloved colleague made through the country. However, he was perfectly in a position to bring a permanent fiscal policy forward.

Why then has he done so? Was it because of lack of that master-mindedness which one expects to find in a Canadian Prime Minister? Is he to be classed, in

spite of his youth, among the weakest of our Prime ministers? The public truly have the right to know this fact, and we on this side of the House, who have heard the great speech he delivered the other day are quite convinced that it is so.

The hon. Minister of Finance told us recently that he had abolished the war profits tax, because, said he, large companies shall not have any more immense profits and shall not pay another cent. But you are quite aware that these large companies have divided up their capital in three or four parts and that instead of paying any dividends on a share which was originally worth $100 or $200, the apparent value of these shares has been raised to four or five hundred dollars. Are you not witnesses that these large companies—they are friends of the Government, you may say—have changed their capital stock, that they have quadrupled, quintupled this capital, this being done, the dividend must also be quintupled. It is not surprising therefore that it is as much as large companies can do to pay their dividends or even to pay a part of their profits to the public treasury. The hon. minister had it in his power to prevent these large companies from subdividing their stock. Why has he not done so? If he had acted thus he might have obliged these gentlemen, his friends, to pay into the public treasury a part of the wealth they have extorted from the public during the war; but he could not do so, because they were his friends and he had to protect them. Therefore the Minister of Finance is to blame if the Government's friends are not paying the taxes as they should.

The hon. member from Neepawa (Mr. Davis) remarked the other day that while taxes had been abolished for large companies, nothing had been done to amend the income tax so far as smaller companies were concerned. It is these small companies in the province of Quebec and the western provinces which usually manufacture the agricultural implements which our farmers need, and these small companies which did not come under the war profits tax, had to pay the income tax. By leaving the income tax such as it is, these small companies which are capitalized at less than $25,000, are still subject to a tax. An exemption of $2,000 is allowed on their capital, and any amount in excess of this shall be taxed 10 per cent; as in the past. Yet, they are forced to sell their products at 3 per cent like the others. This makes it impossible for the smaller companies to continue their business and it places them almost on the verge of bankruptcy. It is an indirect way of doing away with the small competitor, he who very often succeeds in making the large companies, who are friends of the Government, reduce their prices. The hon. Minister of Finance has veiled these details in the Budget. It is the consumer who, in the end will have to pay; it is he who shall have to meet the large deficits of this Government which the people did not want, this Government which has proclaimed itself "the country's Government" and which, however hard the Opposition has tried, it has not been able to bring them to their senses and have them bring on the elections.

I had the pleasure the other day to hear the hon. Minister of Marine (Mr. Ballantyne) claim the candidate from Yamaska as his worthy adopted son, also as that of his leader, the Right Hon. Prime Minister (Mr. Meighen). Now that the child has been recognized, that he is to be christened —for he is in the county of Yamaska to be christened—I shall take the liberty of asking a question: Who are the ministers who are entitled to vote in the county of Yamaska? Could the hon. Minister of Justice tell me if there are any? Could the hon. Minister of Marine tell me if there are any ministers who are entitled to vote in Yamaska? The hon. Minister of Marine does not wish to answer. It might be interesting to know. We might then know, now that the hon. minister has accepted the son, who is to show him the way in the county of Yamaska? According to the law, all ministers must reside in Ottawa; yet there is a minister who has found means of registering in Yamaska so that he as well as his own family, may cast a vote in that county. Could the Government allow a minister, according to the law, to vote in Yamaska, when he has lived in the city of Ottawa since 1911? The Postmaster General (Mr. Blondin) has found out that he could vote in that county, as well as could all his family.

I have in my possesion for the personal edification of my hon. friend and to replace the answer which the Minister of Marine and Fisheries refused to give me, the proof that the Postmaster General intends to vote in the constituency of Yamaska. One father has owned up to the child, but the other supposed father—when one is a putative father, there may be several—will try to mark out the way for him. In the parish of St. Francois-du-Lac, there appears on the electoral list the name of the Hon. P. E. Blondin, senator,

Postmaster General, and it has been put there on the special request of the minister himself. Although he is a resident of the city of Ottawa, this gentleman's name has been inscribed on the electoral list of the parish of St. Francois-du-Lac. Not satisfied with his name being placed on the list he has seen that the name of Madam P. E. Blondin be added to the electoral list. Then, the hon. minister said to himself: Why should not the name of my sister-in-law be added also? And the name of Miss E. Brisson, sister-in-law of the hon. Postmaster General has been added on the electoral list of the parish of St. Francois-du-Lac, notwithstanding the fact that she lives in the city of Ottawa. Miss Marie Brisson too, another sister-in-law of the hon. minister has found a way, thanks probably to her charming brother-in-law, to obtain for herself the right to vote in the constituency of Yamaska, although she resides in Ottawa. Arthur Brisson, civil engineer—a rather interesting thing for his friends in the Mines Branch—also an official of the State residing in Ottawa, found it possible to have a right to vote in the same county. Moreover, the name of Miss Josephine Blondin, a cousin of the hon. Postmaster General, now employed as a stenographer for the Federal Government in Ottawa, figures also on the electoral list of St. Francois-du-Lac, making in all six members of the Blondin family, all residents of Ottawa, who have a right to vote in the constituency of Yamaska. Therefore, this is why I have asked the hon. Minister of Justice as well as the hon. Minister of Marine and Fisheries, who fortunately understand very well the French language, if to their knowledge some of their colleagues had the right of vote in the county of Yamaska. The hon. Minister of Marine and Fisheries discovered the candidate and has claimed him. Well, the Postmaster General for his own part will despatch him by mail on May the 28th, but, Sir, to the dead-letter branch. When one realizes the ways and means taken by the members of this Government in order to assure the election of their candidates and how they can twist the law in view of securing a right to vote in a constituency where they do not reside and where they simply go for an automobile tour during the summer, have we not the right to ask you to what excess you, as well as your colleagues are ready to descend in view of securing votes?

Mr. DEPUTY SPEAKER: I will remind the hon. member that he must address his remarks to the Chair and not to the hon. ministers.

Mr. DECHENE: I am glad to bow to your ruling, Mr. Chairman, and I will follow it henceforth. I thought may be those remarks were supposed to interest the hon. minister much more than yourself, Mr. Chairman, and I tried to give them some direct information, without having to communicate them through you; at any rate, I will sin no more. Besides the electors from Yamaska will give them the latest news. The Postmaster General will come back to his department where he will take care of his dead letters. It would perhaps be better for him to go there in the broad daylight instead of in the darkness of night and to avoid the by-ways. The whole population of Montreal district is aware of those facts and you may rest assured, gentlemen, that it is not so easy to humbug the people of Yamaska. There is a song of Musset which says:

"Où le père a passé, passera bien l'enfant."

I believe that Musset under that circumstance meant to speak of the real father. But the putative child does not always pass where the supposed father has passed. Now, I desire to make a few remarks concerning the way the hon. Minister of Finance deals with the railways' deficits. I believe that the best way for my hon. friend to cover these deficits of our Canadian National railways is to remain silent on that score. In the long run it is "Baptiste" that pays. Do you want an illustration, gentlemen, about the bad administration of the national railways?

Mr. DEPUTY SPEAKER: I will remind the hon. member once again that he is speaking in the House of Commons and that he must address the Chair.

Mr. DECHENE: The Department of Railways is administered in such a way that the present state of things is of evil omen for the country. The Government, not satisfied with having dragged the Canadian Northern Railway System to bankruptcy, has taken into its service the leading officials of that railway. How could we expect, Mr. Speaker, that the administration of this road would sustain many changes at the hands of these people?

I claim that it is not so, and we become absolutely sure of it when we see what is going on around us. Let me specially draw your attention, for instance, to the manner in which the express companies are being dealt with. There are two great ex-

press companies in this country: the Dominion Express, which is the sole property of the Canadian Pacific Railway, and the Canadian Express, which belongs to the Government. As you follow the Intercolonial from Montreal along to St. Rosalie, Drummondville, Lévis, Montmagny, Rivière du Loup up to Rimouski, you will notice a most extraordinary state of things. We have here a Government who accepted to take over a company with a capital of $1,000,000 and which has $4,000,000 of debentures on the market. That makes a capital of $5,000,000. In every station of the Intercolonial the agent of the Dominion Express is the station master who is in the employ of the Government, while our own company, the Canadian Express, must seek refuge outside of the station. Who has to suffer for this? Who has to pay for the transfer of the goods from the station to the offices? It is the people, it is the company itself. Here is a striking example: In the town of Montmagny, which has a population of 5,000, both companies are represented. The station agent of the Canadian National railways is the representative of the Dominion Express, and the latter's packages are received in the offices of the station agent. Now, what is being done with regard to the Canadian Express? The goods are left on the platform of the station and the company has to pay somebody to bring them over to the offices which it had to rent in the town, and also to deliver them to the people at the same rate as the Dominion Express. It means that in the town of Montmagny alone, the Canadian Express is losing every year $500 or $600, which it could save, if conditions were reversed. Why should not the Canadian Express, which is our own company, be represented at the station? Why do they not compel the Dominion Express to transfer its offices elsewhere and to pay for the carriage of its goods? In that way we could get our full revenue and we would be able to save millions on the whole system if the Government would only manage the roads in the proper way. But they don't want to do it; they gave the Canadian Pacific privileges which they do not care to take away from that company.

One of the hon. members opposite, speaking on behalf of the manufacturers, said that if we wanted to reduce our deficits and be able to pay off our debts, we should encourage our industries and buy "made in Canada" goods. Do you know, Sir, who originated this war-cry and who first urged upon the people of Canada to buy Canadian-made goods in preference to the imported ones? It is the manufacturer himself. If we, the consumers, must buy Canadian goods, we have a right to know whether the manufacturers are themselves setting the example in patronizing Canadian industries and Canadian financial undertakings and also in buying as much as possible of their materials in Canada. To illustrate my thought and to show that these people are not quite the patriots they would like us to believe they are, I made inquiries as to how much insurance, either against fire, or employer's liabilities, or as security bonds, they were taking in the various Canadian companies, and also how much they were taking in British and foreign firms. In 1919, fire insurance policies in Canada amounted to $40,031,474. Out of that sum, the Canadian companies only held $6,415,838; the British companies, $20,377,871, and foreign firms, $13,237,765. Therefore, out of $40,000,000 worth of insurance carried in this country, only six millions were placed with Canadian companies, and thirty-three millions were held by companies having their head office and shareholders outside of Canada. If you consider the difference between the amount collected every year as premiums and that paid out by the companies, you will realize that we are paying a tribute of some fifteen or eighteen millions to strangers every year. Now, who are the people holding the largest fire insurance policies in Canada? It is surely not the farmer nor the poor consumer who very often is not insured, it is the financial corporations. Why do they not apply to the Canadian companies to get insured? Why do they not set the example of encouraging the Canadian companies? Their support would make those companies more powerful, that money would remain in the country and the whole community would profit by it. In 1919, the respective amounts of insurance taken in the Canadian, British and foreign companies against accidents were according to order as follows: $953,103, $1,199,036 and $388,009. Why should those people not get their workingmen insured in Canadian companies, when they are so loud in their utterances to the effect that goods made in Canada should be given preference?

If you wish to see another aspect of this question, I shall give you the figures on cattle which are specially for the farmer's use. In 1919, $65,657 worth of insurance on Canadian herds was taken in Canadian companies and $32,942 in the British companies, foreign companies having done no

business because they were not represented with respect to that kind of insurance, and this is to our farmer's credit. Though the figures just quoted be not very high, we see, however, that our good country people go so far, at least, as to apply those principles by favouring their fellow-citizens rather than foreigners. Mr. Chairman, if the manufacturers, who are always complaining that they are not protected as much as they should be, were willing to apply the principles which they preach, our financial situation would not be what it is to-day, the one-half of our people would not be taxed for the benefit of the other half.

The ministry in power has not the support of the people, all the by-elections went against them. They are afraid to face the storm and they put off, as much as possible, holding elections in the constituencies which are not represented in the House of Commons, and I can safely assure you that if the Government decided to do what the Prime Minister gave us to understand, the other day, that we might anticipate, the event alluded to by the Ottawa Journal this morning, the Prime Minister would take the place of the leader of the Opposition, which is rightfully his, because he should lead the opposition for a long time before he is Prime Minister.

Mr. J. E. SINCLAIR (Queen's, P.E.I.): Mr. Speaker, I do not suppose that at this late hour, I can add very much to the discussion, which has been somewhat protracted, on the subject now before the House, nor do I intend to attempt in any way to convert any hon. member into my way of thinking. However, I do rise to discharge a duty which I owe to the constituency which I have the honour to represent, and that is, to submit to this supreme forum of Canadian politics their views on the questions which are embraced in the Budget now under consideration. In doing this, I desire, at the outset, to refer to some of the unfair statements that have been made regarding the attitude and record of the Liberal party during the time they were in power from 1896 to 1911. The speeches so far delivered on the other side of the House, especially that of the right hon. gentleman who leads the Government (Mr. Meighen), have been mainly by way of comparison between the respective records of the two parties in Canada, and I think that the speech of the Prime Minister in particular was anything but fair in its view of the Liberal party's achievements. The right hon. gentleman did not make any reference to that party's record which explained the whole truth. Now, in order that I may make my remarks all the more clear, I want to refer to the speech which the right hon. gentleman delivered one year ago, as it will be found in Hansard at page 2698 of the revised edition. In referring to the Fielding tariff; the right hon. gentleman said:

> The last tariff under the Conservative Government—because the scale had been reduced very much by the Conservative Government in the revision of 1894—gave an average percentage of duty on dutiable goods (and these articles in effect remained the same) of 29.96 per cent. That was the tariff which went out of effect in 1897 when the Fielding tariff came in. The hon. gentleman gave us a tariff in which the percentage, instead of being 29.96 was 29.22, or the great reduction of .74 per cent. That is precisely the reduction that was made, and that I suppose is all the hon. gentleman had to do to bring the tariff out of the Tory category and make it in keeping with the "historic" principles of Liberalism. The next year the percentage was 28.65. It remained around there till 1907. In 1908 it was increased, and in 1909 it was further increased. It was increased, indeed, as much in 1909 as is was diminished in 1897. I do not know whether that was apostacy from the principles of Liberalism in 1909, but there was the same raise in 1909 as there was reduction in 1897, and in neither year was there anything like the change that was made by way of reduction by the Minister of Finance in connection with the revision that preceded it in 1894—nothing to compare with it in any degree and nothing to compare, in the whole fifteen years, during which the responsibility was upon the Liberal Government, with the reduction that is embodied in the Budget which we are debating to-day or even in the Budget we were debating last year. The reduction to-day is forty times greater than theirs.

Now, Sir, I want to submit to the House the method of comparison that was adopted by the Prime Minister when he took the average percentage of duty on dutiable goods. In calculating the rate of duty and comparing the importations on that scale during the respective periods in which the two parties were in power, you do not give credit to the party who transferred from the dutiable to the free list several articles of import. This method gives only one half of the truth. When we figure the duty on dutiable goods in 1897 and compare it with the duty on dutiable goods in the year 1907, we make a comparison that is not fair to the party that was in power during that period, because it does not give credit in respect of the articles

that were removed from the dutiable to the free list. If we take those artitcles into consideration we find that during the period the Liberal Government were in power, they removed over 122 items in the customs tariff, which is composed of 800 items, from the dutiable to the free list. It is not necessary for me to enumerate these articles, but I cite this fact because the comparison of averages is about the only real calculation that was given by any of the speakers on the other side to justify the allegation made in the House and in the country that the hon. member for Shelburne and Queen's (Mr. Fielding), who has moved the amendment now before the House, during his term of office, followed a protectionist policy. This method of calculating on the basis of averages is about the only mathematitcal argument which has been advanced on the other side as a ground for attack on the member for Shelburne and Queen's. Now, if we want to make a fair comparison of the rates of duty, and give to each party the fair share of credit to which it may be entitled, we must take into account the articles that have been transferred from the dutiable to the free list. In order to illustrate my point, I desire to submit a comparative table to demonstrate how the method adopted by hon. gentlemen opposite, of comparing the records of the two parties, may be deceptive. Let me submit the following comparative table of imaginary imports in a given year:

TABLE No. 1

Comparative table of rates of duty on imaginary imports in a given year

Articles	Value	Duty collected	Rate of duty per cent
Wool	$ 500,000	$150,000	30
Cottons	300,000	90,000	30
Agricultural implements	250,000	75,000	30
Leather and manufactures thereof	400,000	120,000	30
Steel and manufactures thereof	500,000	150,000	30
Total	$1,950,000	$585,000	30

Average percentage of duty on dutiable goods, 30 per cent.

Average percentage of duty on total imports, 30 per cent.

Now I take another table of the same articles at the same valuation for the next year:

TABLE No. 2

Articles	Value	Duty collected	Rate of duty per cent
Wool	$ 500,000	$150,000	30
Cottons	300,000	Nil	Free
Agricultural implements	250,000	Nil	Free
Leather and manufactures thereof	400,000	120,000	30
Steel and manufactures thereof	500,000	150,000	30
Total	$1,950,000	$420,000	22.1

Average percentage of duty on dutiable goods, 30 per cent.

Average percentage of duty on total imports, 22.1 per cent.

Now if I followed the method that was followed by the Prime Minister, it would be fair for me to say that the rate of duty on dutiable goods was the same in both cases, but would that be a fair method of comparing the two? I submit that it is an unfair way to compare the record of one party as against another by giving only one-half of the story, as was done by the Prime Minister last year in this particular case.

There is another point to which I wish to draw attention. In his statement last year the right hon. the Prime Minister referred to the lowest rate of duty under the Liberal regime as being 28.56 per cent. In his speech a few days ago, he used the following words, referring to the hon. member for Shelburne and Queen's:

When he went out of power the tariff averaged 26.7 per cent.

Evidently the right hon. gentleman has revised some of his figures of last year.

Mr. STEVENS: As the Prime Minister is not here, perhaps my hon. friend—

Mr. SINCLAIR (Queens P.E.I.): As the hon. member for Vancouver has not spoken in this debate, he will have a chance later on. He can take a note of what I say.

Mr. STEVENS: What the Prime Minister stated was that 28.65 was the average duty in the 15 years of the Liberal regime, and 26.7 per cent the lowest rate of duty or the duty at the time the Liberal Government went out of office.

Mr. SINCLAIR (Queen's P.E.I.): The hon. gentleman has just told us that 28.65 per cent was the average duty in the 15 years of the Liberal regime. The words that were used by the Prime Minister are these, as will be seen by Hansard of last year:

The next year the percentage was 28.65.

There is no average for fifteen years about that. It is the percentage for the year. Therefore, I cannot accept the explanation given by the hon. member for Vancouver. Then the right hon. gentleman stated in this debate a day or so ago, referring to the hon. member for Shelburne and Queen's:

When he went out of power the tariff averaged 26.7 per cent.

Mr. STEVENS: For that year.

Mr. SINCLAIR (Queen's, P.E.I.): That is correct, not for the whole fifteen years, as stated by the hon. member.

Mr. STEVENS: I said 26.7 was the duty at the time the Liberal Government went out of power.

Mr. SINCLAIR (Queen's, P.E.I.): I have shown by the tables I have read how an unfair impression may be conveyed by giving the average showing averages by range of duty on dutiable goods.

Let me give another illustration. Take the rate of duty on dutiable goods for the year 1920. The amount of dutiable goods imported in that year was $693,655,165, and the duty collected was $187,524,181.77, or an average on dutiable goods of 27.32 per cent. In his speech a few days ago the right hon. the Prime Minister stated:

The tariff that he (Mr. Fielding) left at that figure in the fiscal year that has just passed averages precisely 21.2 per cent.

So, Sir, the tariff in 1920 was 27.32 per cent on dutiable goods, and for the year just closed, according to the figures given by the Prime Minister, 21.2 per cent. One might infer from the argument of the right hon. the Prime Minister with regard to fiscal changes under the Liberal regime that the tariff brought down by the Budget of last year was very much lower than it had been previous to that time; but that is not the case. So the method of argument that was followed by the Prime Minister is not a correct method. It does not show the true comparison with regard to the tariff, and I submit to the House and the country that the only correct way, if you are going to take averages, is to take the average of imports and the duty collected thereon.

Let me show what the average customs tariff on imports of dutiable and free goods entering Canada for home consumption has been since 1896.

	per cent
1896	18.28
1897	17.87
1898	16.95
1899	16.70
1900	15.98
1901	16.06
1902	15.99
1903	15.87
1904	16.28
1905	16.04
1907	16.07
1908	16.27
1909	16.11
1910	16.24
1911	15.87
1912	16.00
1913	17.03
1914	16.91
1915	17.39
1916	20.47
1917	17.46
1918	16.79
1919	17.24
1920	17.61

The average percentage of duty for the fifteen years under the Liberal rule was 16.29, and the average under the eight years of Conservative rule 17.41. This table is given in page 13 of the report of the Customs Department for the year 1919-1920. It shows that there was a reduction, under Liberal rule, of 2.41 per cent on the whole amount of dutiable and free goods, and that under Conservative rule, from 1911 to 1920, there was an increase of 1.74 per cent. Now, sir, in the face of these figures in the blue book how can the Prime Minister justify the statement that the tariff reduction to-day is forty times greater than it was under Liberal rule. It is absurd. Further than that, the Liberal government in 1911 entered into an agreement know as the reciprocity Pact, by which many more items would have been added to the free list. I find on looking over the returns that during the Liberal rule there were 122 items added to that list and only 18 items added during the Conservative regime. The fact of the matter is that in the campaign of 1911 such a sentiment was aroused in the country that it was impossible for any Government to refuse to add those items to the list which were placed there during the last ten years. A feeling of resentment was displayed by a great many of the people when they found that the reciprocity agreement had been defeated at the polls; and a large percentage of the adverse vote were cast by those who supported the Conservative party at that time. The feeling if disappointment was so strong, and the public sentiment so pronounced, that the Government were obliged to add the items in question to the free list.

In the province from which I come the tariff question is a very live issue. It is not satisfactory to the people of Eastern Canada to hear the Prime Minister and

the Minister of Finance say that we can afford to wait and see what is to be done in the United States before we undertake tariff revision in this country. That is not a policy that will make for good under the present circumstances. Canada being the smaller country, we cannot afford to pursue a policy of retaliation in regard to the United States tariff. We must, if possible, keep in touch with our good friends in the United States. There is a sentiment in that country, as well as in Canada, that favours a moderate tariff, a lower tariff, a tariff for revenue only rather than a high protective tariff. In support of that statement let me quote the words which were uttered by the late President of the United States when he vetoed the Fordney Bill. On that occasion Mr. Wilson said:

> I do not believe that the sober judgment of the masses of the people of the nation, or even of the special class whose interests are immediately affected by this measure, will sanction a return, especially in view of conditions which lend even less justification for such action, to a policy of legislation for selfish interests which will foster monopoly and increase the disposition to look upon the Government as an instrument for private gain instead of an interest for the promotion of the general well-being.

He said further:

> It is obvious that for the commodities, except sugar and wool mentioned in the measure which make up the greater part of our agricultural international trade, the imports can have little or no effect on the prices of the domestic products.
>
> This is strikingly true of such commodities as wheat and corn. The imports of wheat have come mainly from Canada and Argentina and have not competed with the domestic crop. Rather they have supplemented it.

That expression of sentiment by the President of the United States is supported by a great many people in that country, and if we in Canada adopt a policy of "wait and see," or of retaliation, in response to the tariff that may be imposed by the high protectionists at Washington, we cannot expect to be able to negotiate trade arrangements, as between the two countries, that will be favourable to us. We, as the smaller nation, stand to lose in the event of high tariffs being brought into operation between Canada and the United States. In Eastern Canada a condition exists which is more extreme than has been experienced for many years. In our cellars we have a crop of potatoes that it was impossible to move entirely last fall —our communications with the mainland were not good—and to-day we have two million bushels stored that are not worth anything. It is quite true that we did not this year enjoy a market in the eastern states. Speaking generally, however, and taking the average of one year with another, we have always had a market in the eastern states for our surplus stock of potatoes—potatoes grown in Eastern Canada but not needed there for consumption. We now have facilities for moving these products down the seaboard to the Atlantic ports; and it looks as though we might, in the very near future, have a very cheap method of transportation by water, because rates are coming down every day and competition is becoming keener between the water carriers. It is therefore to our advantage to have an open market in the United States for our products. In view of the contemplated tariff legislation in the United States are we going to make conditions better by resorting to retaliatory measures? No, the results will be much worse for the Canadian consumer and there will be no advantage for the Canadian producer. Because, as I see it, and I think I am correct, the American market of 120 millions of people controls the price as between that country and Canada. The proportionately small amount that we export to the United States makes no difference to the price in that country. On the other hand, if they put up a tariff to keep our products out of the American market and send their low-grade goods, —of which their surplus in food products largely consists—into Canada, they can demoralize the market in this country. That is, as regards low grade goods. In products of the higher standard we can compete with them in the open market because the quality of what we have to sell is equal, if not superior, to theirs. Under favourable conditions we can obtain a market in the United States for our eastern products at a comparatively small expenditure; and the people of Central Canada can trade with their neighbours across the international boundary line much in the same way. But the higher the tariff is made the worse it will be for the people of Eastern Canada, they are the ones that will suffer.

Another product that we are finding an excellent market for in the United States, ever since the duty was removed is eggs. In the last few years the farmers in Eastern Canada have been shipping their fresh eggs to the United States, and have built up a splendid trade with that country. The success achieved in that way has done a good deal to encourage the egg trade.

The farmers have been encouraged to improve the quality of their output and today the quality of the eggs produced in Eastern Canada compares favourably to the eggs produced in any other part of Canada, if indeed it is not superior. On the other hand ten years ago the quality of that product was at an extremely low level. These facts tend to substantiate the statement I make that our people in the East will benefit, and have benefited, by a low tariff with the United States, especially in the matter of food products. And if we pursue a policy of retaliation against their increased tariff, without making any approach to them, we cannot expect anying else but a tariff war between the two countries.

I wish also, Sir, to make reference to a local matter that is closely related to the last subject, and that is the method of getting our goods to market. I do not wish to bring local issues too much into this debate, but it is necessary from the standpoint of attending to every portion of the country that where grievances exist, whether it be in the east or in the west or in the centre, those grievances should be adjusted, otherwise we cannot expect to keep our country united and present a solid front in the markets of the world. We have in Prince Edward Island a condition that has accentuated the potato situation as I have described it, and that is the method of transportation to the mainland during the winter months. Last fall our farmers taxed the capacity of the railway to its utmost before the season closed for moving out their potatoes. During the winter months owing to the railway being in a state of transition from the narrow gauge to the broad gauge on which work began some years ago and was later suspended, those farmers were able to get out only a very small percentage of their crop, and when the spring opened up they found themselves with large quantities of potatoes on their hands and a very poor market for them; in fact, the freight rates were so high and the market so unsatisfactory that the returns on their potatoes would not pay for the freight and bags. If we had had our transportation system completed we would not have been in such a bad condition, as our crop would be moving during the whole winter. Therefore I want to impress upon the Government the necessity of putting the transportation system in better shape. I would urge them to complete the work of broadening the gauge which was undertaken some years ago and stopped during the last two years of the war for various reasons, which I am not going to refer to nor complain of now, but it was generally held that it was poor policy to discontinue the work.

It is very expensive to operate the railway in its present condition, and the expenditure necessary to put the railway facilities in good shape is fully justified. It costs more to operate the system under present conditions on account of having to transfer freight from the narrow gauge to the broad gauge, and vice versa, etc. According to the estimates made by competent engineers and endorsed and passed by the board of management of the Canadian National railways—which estimates are now awaiting endorsation by the Department of Railways and Canals—the work could be completed for $650,000. The annual saving in operation would then be $81,000 per annum, made up as follows:

Saving from transfer of freight west of Summerside	$14,000
Saving from transfer of freight east and south of Charlottetown	20,000
Saving from use of standard engines operating over the entire road	30,000
Saving from extra men now required on third rail section	15,000
Saving of extra material required for upkeep on third rail section	2,000
	$81,000

Now, Sir, when the province asks for work of that nature, and it is shown by competent engineers that an annual saving to that extent would accrue, and when we consider the improved service that would result and the consequent increase in volume of traffic and revenue, I think it will be admitted that the necessity of having this work gone on with at once cannot be too strongly urged upon the Government.

There is another point in connection with the railway that I should mention, and I think in common with all hon. members that it is wise to express it to the Government, namely, that we deplore the present high freight rates. With the price of farm products at such a low ebb, it is almost impossible to send them to the markets that we have been in the habit of supplying during the past few years. In this connection allow me to submit to the House a resolution unanimously passed by the Legislature of Prince Edward Island during the past few weeks. It is as follows:

Whereas an unusually large quantity of potatoes are at present in our farmers' cellars awaiting shipment,

And whereas the freight charges are greater to our Canadian markets than the price offered for this product,

And whereas on account of the season it is impossible now to feed any considerable quantity of this product to live stock,

And whereas if immediate relief is not forthcoming in the nature of a substantial reduction in freight, great loss will ensue to the province, and a disaster to those who have a large stock still on hand,

And whereas under existing circumstances it is impossible to transact any business, and the railways are suffering with the farmers through the loss incurred by this condition.

Therefore resolved that this legislature would strongly urge upon the Minister of Railways the necessity of immediately reducing the rate on potatoes at least one-third until June 15 to enable our farmers to dispose of this surplus food product.

I might also submit a few figures to show how the freight rates affect our shippers. We depend largely upon the province of Nova Scotia for our domestic coal, and it is there we find one of the ready markets for our farm products. Let us compare the rates of freight on coal and on potatoes that exist between those points and Prince Edward Island, and vice versa.

Coal Rates Inward

	Rate per 100 lbs.
Sydney to Chalottetown	16 cents
Point Tupper to Charlottetown	15 "
Pictou County Mines to Charlottetown	13½ "
Springhill Mines to Charlottetown	11 "

Potato Rates Outward

Charlottetown to Sydney	43 "
Charlottetown to New Glasgow	37½ "
Charlottetown to Springhill	35½ "
Charlottetown to Montreal	43 "
Charlottetown to Boston	60 "

You will see that the rate from Charlottetown to Sydney is as high as the rate from Charlottetown to Montreal, over three times the distance. The rates on the exportable products of Prince Edward Island and on the product which is the exportable surplus of Nova Scotia are unfair beyond all comparison. This bears heavily upon our people when the price of the product goes down. When we are getting the high price for potatoes last year of $3 per bushel f.o.b. railway the freight rate did not seem so much, but when the price goes down to the point which it has now reached and 17 cents a bushel is all that can be offered to the farmer on account of the high freight rate, it makes it almost useless to try to market the potatoes at all. At this season of the year it would not pay a farmer to give the time to hauling the potatoes to the station at that price if he had to haul them more than a mile, as many farmers have to do; in fact, in many cases they are hauled ten miles. I have made reference to this local condition in order that hon. members of the House, especially members of the Government, may be familiar with the situation as it exists in regard to farm produce in the eastern provinces.

There is another matter, Sir, to which I should like to refer before I close. Coming back to more controversial politics I may say that we have an election pending in one constituency in New Brunswick and in one constituency in Quebec, to take place on the 28th of this month. I see by the Ottawa Citizen of May 13, that one of the members of the Government, the Minister of Labour (Mr. Robertson) visited the constituency of York-Sunbury and spoke at McAdam on May 12. On that occasion he is quoted as saying.

> There has been no government in power since Confederation whose policies could not be justly criticised and accused of dishonesty, yet even its political enemies will not accuse the present Governmnet of misappropriation of funds during the war.

Now, Sir, I want to draw particular attention to that statement of an hon. minister of this Government in a by-election in the province of New Brunswick. What is the record of the Government during the war? Have any accusations been made? I think, Sir, I can justly say to this House and to the country that the statement made by the Minister of Labour is not borne out by the facts that are on record—on the record of the Committees of this House during the war. I refer to the Public Accounts Committee in 1915, when it was proved that the moneys were misappropriated by the Government for war purposes. It was shown before the Public Accounts Committee that there was lost or squandered of the moneys of this country, on horses, $83,000; on bicycles, $28,000; on shield shovels, $30,000; on binoculars, $3,000; on submarines, $250,000; and a large amount on Oliver equipment. It is surprising, Sir, to see a member of the Government going into the country and appealing for support on such a cry—stating, as appears in the press report, that no accusation has been made against the Government when the records of committees of this House show that hundreds of thousands of dollars were squandered. It is evident, therefore, that references and comparisons made, as I have shown, by the right hon. Prime Minister in the House and by his ministers out of the House are not borne out by the facts when the whole truth is told. Mr. Speaker,

the hour is late and I will not detain the House any further.

On motion of Mr. Kennedy (Glengarry) the debate was adjourned.

On motion of Right Hon. Mr. Doherty, the House adjourned at 12.16 a.m. Tuesday.

Tuesday, May 17, 1921.

The House met at Three o'clock.

THE BUDGET

DEBATE CONTINUED ON THE ANNUAL STATEMENT PRESENTED BY THE MINISTER OF FINANCE

The House resumed from Monday, May 16, the debate on the motion of Hon. Sir Henry Drayton (Minister of Finance), that Mr. Speaker do now leave the Chair for the House to go into Committee of Ways and Means, and the proposed amendment thereto of Hon. W. S. Fielding.

Hon. T. A. CRERAR (Marquette): Mr. Speaker, the occasion of the Budget speech gives to the House and the country the opportunity to review the state of financial health of the nation. A Budget speech, because of what it may contain, is always of interest at any time; but on an occasion such as the present, when the country has passed through four or five years of war that was a new experience for us; when that war has added greatly to our debt; when it has disturbed our economic conditions as they have never been disturbed before;—a Budget under such circumstances as these, is a matter of interest, and profound interest, to the people of any country, and particularly to the people of Canada.

Before I discuss the proposals contained in the Budget delivered by my hon. friend the Minister of Finance (Sir Henry Drayton) the other day, I wish to refer to one or two statements made by my hon. friend from Frontenac (Mr. Edwards) and, I think, by the hon. member for Dundas (Mr. Casselman) in his speech the other evening. These hon. gentlemen directed some criticism against my administration of the Department of Agriculture when I was a member of the Government. Their criticism was that I had failed in my duty to the agricultural people of Canada, in that I had permitted their products to be sold in the markets of the world, to the Allies at prices greatly below their actual value; and they therefore chided me and held me up to reproach because that condition had existed. Well, I bear in mind that my hon. friends supported the policy of that time because it was the policy of the Government of the day and not of the Minister of Agriculture. They supported it in the past, and it is rather a late occasion now on which to rake up criticism of this kind. What were the facts that faced the country under those conditions of war? They were such that there were no free markets for our products. The Allied countries of Europe, as every one in the House and out of it knows, were buying their requirements through one or two agencies who controlled the shipping on the high seas and absolutely controlled the prices that producers in either Canada or the United States could get for their products. Under those circumstances, therefore, there was no other course for the Government of the day to follow than to make the best arrangements possible with the buyers in Europe; and I am free to confess that, in my opinion, in the great majority of cases the Allied purchasing agents, wielding the power they possessed through unified control in buying, dealt fairly generously with the producers on the North American continent.

I desire now to deal with the Budget statement delivered by the Minister of Finance the other day, and I am bound to say that my hon. friend, in the statement he has presented to the House this year, has fallen far short of the standard he set in his Budget speech of a year ago. At that time his speech was clear and courageous; it contained a note of courage and encouragement to the country. On the present occasion, however, these qualities are entirely lacking. A year ago my hon. friend made this declaration:

> The duty to-day is not only to carry on the government of the country without any additions to the debt, but, on the other hand, to promote measures which will reduce the nation's obligations.

Now, that was a sound declaration of policy at that time. It contained two things in particular: First, the view that there should be no increase in the debt, and, second, that steps should be taken to reduce the nation's obligations. But what do we find in the present Budget speech? Do we find that ideal carried out by my hon. friend? Not at all. We find, on the contrary, that our debt has increased by over $100,000,000, and we find, as I shall show presently, absolutely not one word by way of provision for the future as to how we shall care for our heavy commitments that fall due, within the next few years. Now, in this statement my hon. friend

figures out a surplus. One would almost imagine that this Budget was the precursor of an election,—and I am not at all certain but that the Government, in the rather uncertain times that lie ahead of them, are making a virtue of necessity and have dressed up their Budget proposals so that they will have the finest possible appearance to the country. What does my hon. friend claim? He claims a surplus of $69,000,000, and other hon. gentlemen who sit behind him have played upon this string and have pointed out what a splendid thing it is to have a Government that can produce a surplus of $69,000,000 in a year like this. But how does my hon. friend reach his surplus? He has reached it by charging up to capital expenditure items, and very large items, that should be paid out of ordinary revenue. We are faced with our railway situation, which every one admits is serious. Now, one principle, absolutely, should be laid down in the financing of this enterprise, and that is, that the deficits that occur in operation, and the sums that are necessary to meet interest on fixed charges, should be paid out of income and not charged up to capital. That is only the position which any ordinary business house would take But does my hon. friend do that? Not at all. We find that the interest on these obligations and the operating deficits have been charged up; and after charging them up my hon. friend arrives at a surplus of $69,000,000. If these charges had been met, as they should have been met, and would have been met by a courageous government, there would have been no surplus, and the facts would have been placed frankly before the people that our income last year did not meet our expenditure.

Have we any hope of improvement for the future? My hon. friend is budgeting this year for a considerable sum of money. He hopes to raise the same revenue that he raised last year, namely, $432,000,000, and he details the items. He speaks of estimated consolidated revenue expenditure $343,000,000—I am giving round figures—estimated capital expenditure $27,000,000; estimated demobilization expenditure $7,000,000—a total of $378,000,000. He sets that down as the amount that should be paid out of current revenue, but he goes on further and he has an item of $50,000,000 for the Canadian Northern railway, $89,000,000 for the Grand Trunk railway, and $26,000,000 for the Grand Trunk Pacific railway. Some of these charges in respect of the railways are of the nature of capital improvements and therefore could properly be charged to capital; but many of them—I venture to say half of them although the House has not the detailed information from my hon. friend—are charges to meet interest on investments, or to pay operating deficits; and to that extent the statement is not a sound statement to place before the country. My hon. friend practically makes that admission a little later in his Budget speech, and I submit that his statement of our national finances is not such a statement as should be placed before the people at this time. If there ever was a time in the history of Canada when Parliament and the Government should deal frankly with the country in respect to the question of expenditures and revenues it is now, because only by sustaining the courage and receiving the support of our people throughout the country can we hope to pass through the difficult times that lie ahead of us.

And what is the prospect for the coming year? My hon. friend has estimated a revenue of $135,000,000 from customs against $165,000,000 a year ago, a decrease of $30,000,000. But what are the facts as far as the months of March and April are concerned? The month of March, it is true, was in the last fiscal year, but it gives an indication of what we may expect in the few months that are immediately ahead of us. The customs revenue in March declined over $10,000,000 as against March a year ago and the customs revenue in April last declined over $7,000,000, as compared with April a year ago. There is $7,000,000 gone in one month of the $30,000,000 reduction which my hon. friend has provided for. And the same thing will apply to other sources of revenue. There is bound to be shrinkage in our income, and the Government has made absolutely no provision to meet it. They are going along making extravagant expenditure without any regard for the future; and I am afraid that when we come to the end of the present financial year, my hon. friend will have to come to this House with a deficit unless he can improve his book-keeping methods to a greater extent than he has done in the year that has gone past.

But there is one other criticism I wish to offer my hon. friend: He has made no provision whatever—indeed there is no reference whatever in the Budget speech to the matter—for the needs of the future immediately ahead of us. And what are

they? This country has to provide for refunding almost $600,000,000 before the first of September, 1925. In other words within the next four years we have to meet maturing loans to the extent of $600,000,000. My hon. friend can say, and the Government can say, "Oh, well, we do not have to meet that for a few years, we will cross that bridge when we come to it." But what would a prudent business man do, and what would any prudent person do, under such circumstances? They would endeavour to make some provision to meet this obligation when it matures. But none is made by the Government. The Chancellor of the Exchequer in Great Britain is facing a somewhat similar position; he has to provide in the next four or five years for something like £600,000,000 of maturing loans. Is he letting the thing drift along without making any provision or entertaining any thought for the future? Not at all. He is taking steps to-day to provide for the refunding of those loans. We are drifting along aimlessly and almost hopelessly—these loans maturing, our trade shrinking, our revenues going down and, as our expenditure exceeds our income, our credit being impaired. We have to face these loans, and I tell my hon. friend now that if he does not take some steps to provide for them, if he does not give this matter some thought—and if the Government does not give it some thought—then he will pay a much higher rate of interest when he comes to refund these loans and care for these obligations than he is paying at the present time. The importance of that fact was pointed out by my hon. friend from Neepawa (Mr. Davis), and to my mind it is one of the most important matters that should receive the immediate consideration of the Government. But have we any suggestion of economy in my hon. friend's speech? Not one word. Last year he was strong on economy: last year the country should economize, individuals should economize, the Government should economize—every one should economize. Is there one word of economy in the Budget speech of my hon. friend delivered to this House a few days ago? Not one solitary word. At any rate my hon. friends opposite have the grace to recognize that they can lay no particular claim to economy in the administration of this country's affairs at the present time. How could they? A dry dock at Victoria costing $4,000,000, and a pier being built in Vancouver, as a monument to my hon. friend the Minister of Marine, (Mr. Ballantyne) that will also cost millions of dollars. Then we have the Welland canal, for which there is a vote of $5,000,000—my hon. friends opposite deal very easily in the millions. Then we have the Trent Valley canal with an expenditure of $500,000; we have a dam being built up in Peterborough constituency, to redeem an election promise—which did not happen to elect the Government candidate—for $250,000; we have $20,000,000 for militia, navy, air defence and police; and $10,000,000 for ships to be constructed under the policy of my hon. friend the Minister of Marine.

Mr. BALLANTYNE: Hear, hear.

Mr. CRERAR: My hon. friend says "hear, hear", and he is building ships as to which, before they are completed, he can write off two-thirds of their value and he will not have them over-valued then. When we protest against this and when we demand economy on the part of the Government, what do we get?

An hon. MEMBER: The closure.

Mr. CRERAR: Yes, we get a shrug of the shoulders, a cynical smile, and the closure.

My hon. friends opposite are just as careless in the little things as they are in the big things. We had an illustration of that the other evening in this House when my hon. friend the Minister of Railways was dealing with his Estimates, and asking for an increase for road supervision by a road department that did not exist in the Department of Railways until a year or two ago. For that department $25,000 was asked a year ago, and $55,000 is required this year, and there is no more need for it than there is for the Minister of Marine to have a battleship. The whole Budget is discouraging. And Sir, it is largely misleading; it is not giving the facts to the country as they should be given. What do the members of the Government have to say in connection with it? The Minister of Trade and Commerce, when he spoke, did not offer to make any defence of if whatever. When the Minister of Marine spoke, he extolled the virtues of protection, and he told how they were going to win elections in the province of Quebec—that is what largely concerns the Minister of Marine. Then the Minister of Militia spent an hour and a quarter the other day endeavouring to convince the House and the country that Canada is not nearly so war-like as many other

nations in the world, notwithstanding the fact that the Permanent Force to-day is almost 1,500 greater strength than it was the year before the war. And then we had the Prime Minister; I must not forget him. He came to the defence of the Government. What had the country a right to expect from my right hon. friend at this time? It had the right to expect some definite lead, some note of encouragement, some declaration as to the need of public and private economy. It should have had a high sounding note from my right hon. friend. But what did the country get? Well, Sir, we got an exhibition of cheap political vaudeville for over two hours and a half.

Talk about inconsistency! My right hon. friend throws his taunts around very freely and very lightly, and he was good enough to direct some particular attention to the hon. gentlemen "who sit angularly opposite" as he describes them. First of all he said that hon. gentlemen "angularly opposite"—that is, the Progressives—and the Liberals are in the same boat; the next moment he said that one is protectionist and the other is free trade; and then he described us as "servile tools and minions, a dilapidated annex" of my hon. friends who sit to my right. Finally he completely reversed his position and wound up with the assertion that the Government and those who sit behind him were more low tariff than any other party in the country. A more amazing mass of inconsistencies could scarcely be imagined. And he concluded with this pious declaration, "Let this game cease. It is not doing any credit to the politics of Canada."

Was my right hon. friend doing any credit to the politics of Canada while he was endeavouring during the past six or seven months to annex a number of hon. gentlemen of the Liberal Opposition who sit on this side of the chamber? My right hon. friend is anxious to get representation in the province of Quebec; I do not blame him for that. But let me ask him and this House in all sincerity: Have the methods which he has followed been any credit to the political life of this country? Perhaps he took his inspiration from my hon. friend from Frontenac (Mr. Edwards) and my hon. friend from West Toronto (Mr. Hocken). Both those hon. gentlemen are supposed to have a peculiar liking for the province of Quebec.

Servile tools and minions! Where was my right hon. friend in 1911 and the party that he then gave adherence to? In that year he and his party made an arrangement with the Nationalists of Quebec. Not only that but he and his party financed the Nationalists, their allies. The question of reciprocity was not an issue in Quebec. On what did his allies, whom he and his party financed at that time, make their appeal? Scarcely on grounds that would commend themselves to my hon. friends from Frontenac and West Toronto. It was an attack on the Empire. But my right hon. friend was not backward in seeking the assistance of those who then were willing to "shoot holes in the British flag." It does not lie in his mouth to lecture any one in this House upon political morality.

But let us go a step further. My right hon. friend describes us as a "dilapidated annex of the Liberal party, servile tools and minions." Were those who sit, as he says, angularly opposite, "servile tools and minions" in 1917, when at their country's call, be their judgment right or wrong, they assisted my right hon. friend and his Government when it was on the brink of ruin and in despair? I should like to know if my right hon. friend considers we were "servile tools and minions" at that time. Let my right hon. friend the Minister of Trade and Commerce (Sir George Foster) answer. He knows better. And what about the "dilapidated annex"—where has it been? Where was the "dilapidated annex" in Assiniboia two years ago?

Mr. CLARK (Red Deer): Where was the Government?

Mr. CRERAR: And where was the Government? Why, the Government was under the barn.

An hon. MEMBER: And is still there.

Mr. CRERAR: We at this corner of the chamber stand for definite principles, and we are not afraid to fight for those principles. In Assiniboia we fought one of the leaders of Liberalism in Western Canada, but my right hon. friend's Government was not represented in that election. And where were we in East Elgin—another "dilapidated annex"? My right hon. friend had a candidate in that constituency and appeared twice in his support, but where was his candidate when election day was over? Then we had the "dilapidated annex" operating again in West Peterborough. I will admit that it was not quite as successful there, but my right hon. friend did not get much comfort out of that election. And what about Timiskaming, where the "dilap-

idated annex" was again in operation? And what about our record and our votes in this House? My right hon. friend knows that he has no right to hurl that epithet across the floor.

He taunts us with not having moved our platform in this House, but he knows very well why it has not been moved. Two years ago when we sought to introduce an amendment to the amendment on the Budget we could not do so. My right hon. friend knows that my hon. friends to the right of me have first claim to speak in the Budget debate. We could not move our amendment two years ago, and my right hon. friend was mighty glad that we could not. At that time he had just gathered a few wavering converts into the fold permanently—my hon. friend from Macdonald (Mr. Henders), my hon. friend from Humboldt (Mr. Lang) and several other hon. gentlemen from Western Canada.

Mr. GAUVREAU: They will never come back.

Mr. CRERAR: My right hon. friend did not want our amendment to the amendment moved upon that occasion, for he thought his new converts might be frightened. Then he says, "But why did you not move it on going into Supply?" Does not my right hon. friend recall that two years ago last March my hon. friend from Brome (Mr. McMaster) moved a tariff amendment on going into Supply? And does he not recall the position the Government took, at that time? I was then supposed to be among the faithful, and I spoke in that debate, my right hon. friend, I think also spoke, at any rate the leader of the Government of that day did; and the position every hon. gentleman on the other side took was that the amendment should be voted down, on the ground that the Budget debate was the place to discuss tariff matters in this House.

I can quite conceive of the pleasure it would give my right hon. friend to have us move an amendment on the tariff when going into Committee of Supply. Immediately he would get up and remind us of the speeches we had made on a former occasion that such an amendment should not be moved, and he would appeal to the loyalty of his supporters to vote our amendment down on the ground that the proper time to move it was when the Budget debate took place.

Now, why is all this suggested now? Why did my right hon. friend make that remarkable speech the other day? I think he expected it might have some effect on a by-election which is now being contested down in the Maritime Provinces. He knows that his chances in that constituency are very slim indeed, but he hoped that he could influence a number of the electors there who have hitherto given support to him and to his policies to vote against the farmer candidate. On what platform is his candidate running in York-Sunbury at the present time? Does the tariff take a leading place in the discussion? Not according to the best information I get. My right hon. friend's candidate is running on a new —no, I will not say an altogether new, platform; it is an old platform of some of my hon. friends opposite. His candidate is saying privately to the Protestants of the constituency: I do not want any Catholic support; are you going to vote for the man whom the Catholics are voting for?

Some hon. MEMBERS: Shame.

Mr. MEIGHEN: The hon. gentleman has made a very serious assertion. He will be good enough to support that assertion by quotation.

Mr. CRERAR: I have no doubt that my right hon. friend can get witnesses to prove it.

Mr. MEIGHEN: I never heard it.

Mr. CRERAR: I accept at once my right hon. friend's statement; but I am stating what his candidate is saying down in York-Sunbury. And did not my right hon. friend within the past eight months, through his agents, approach the Catholic Minister of Public Works in New Brunswick with a view to having him come into his Government? Did he get that inspiration from my hon. friend from Frontenac (Mr. Edwards)?

Mr. MEIGHEN: Will the hon. gentleman repeat that statement, please? I did not quite catch it.

Mr. CRERAR: Yes, I will repeat the statement: did not my right hon. friend or some one representing him approach—

Some hon. MEMBERS: Oh, oh.

An hon. MEMBER: Somebody told somebody else.

Some hon. MEMBERS: Order.

Mr. CRERAR: Did not my right hon. friend or some of the members of his Government—I will put it that definitely—approach the Minister of Public Works in

New Brunswick with a view of having him come into the Administration?

Mr. MEIGHEN:: I want to state that that is absolutely false so far as I am concerned or so far as any one is concerned acting upon my authority.

Mr. CRERAR: I at once, Mr. Speaker, again take my right hon. friend's word for it.

Mr. MEIGHEN: I may tell my hon. friend as well that his previous assertion is denied categorically by the candidate and by every one in the county from whom I have heard.

Mr. CRERAR: After all, my right hon. friend did attempt one or two arguments in his speech the other day. He attempted to make an argument on the binder twine industry. I believe he quoted from Mr. Lambert, now secretary of the Council of Agriculture. Now, Mr. Lambert, it is true, wrote the article that my right hon. friend quoted, but that article was written in 1911 during the reciprocity campaign, and when Mr. Lambert was a student fresh from the university and doing literary work of a general character. That was simply a youthful effusion on the part of Mr. Lambert, but my right hon. friend attempts to build a substantial argument upon it. And then he goes on and talks about the binder twine industry, pointing out that twenty-five years ago we had 25 binder twine factories in Canada and now we have only 3. Well, does that prove anything particularly? It is true there was a decline in the number of binder twine factories in Canada, but what about other industries? Take the great agricultural implement industry; in 1881, according to the census figures, there were 234 factories in Canada manufacturing agricultural implements; in 1917 there were 90. Is that what protection has done for the agricultural implement industry in this country? And if my hon. friend from North Simcoe (Mr. Currie) wants some further information, I have it. Take boots and shoes: in 1881, according to the census figures, there were over 4,000 establishments in Canada making boots and shoes; in 1917 there were 185. And take the matter of woollen goods: in 1881 there were 1,994 factories in Canada manufacturing woollen goods; in 1917 there were 80. In 1881 these factories gave employment, according to the census figures, to over 18,000 people; in 1917 they gave employment to a little over 5,000 people. Is that what protection has done to these industries? When my right hon. friend argues, therefore, that the decline in the binder twine industry in Canada was due to the fact that it had no protection, he cannot offer substantial proof of his statement. But take the case of the Brantford Cordage Company, engaged in the binder twine industry: twenty years ago it had only 60 spindles operating; to-day it has over 700 spindles operating, and its output is over 10,000 tons of binder twine annually. My right hon. friend states that the industry was bonused. Well, has it been bonused? It has not had protection or assistance of any kind for ten years, and in the face of that it is expanding and developing.

My right hon. friend spoke also about the cream separator industry, and he played upon what he referred to as our "working the cream separator all over the country." But, while he may pass these clever remarks across the House he cannot get away from the fact that the cream separator industry in Canada, without protection, has developed and prospered. If the Renfrew Machinery Company can make cream separators and build up their business and expand it as they are expanding it in practically every country where cream separators are used, why cannot my hon. friend from Brantford (Mr. Cockshutt) makes his ploughs in the same way? The same elements precisely enter into the manufacture of the plough which enter into the manufacture of the cream separator.

After all, what was there in the speech that was delivered by my right hon. friend? I have said that there was no lead to the country; there was no discussion of the grave problems which face us; it was as barren as the frozen wastes of the Arctic regions so far as constructive statesmanship was concerned. And my hon. friend from Regina (Mr. Cowan), who, I am sorry to see, is not in the chamber, went one better; he applied the terms "duplicity" and "deception" to those who sit in this corner of the chamber—my hon. friend from Regina, who forgets to-day what he said yesterday and will repudiate to-morrow what he said to-day.

We come now to a consideration of the tariff proposals. My hon. friend the Minister of Finance has stated that it is not the intention to have any tariff revision. But is that the case? I will not go over the history of the Government's jockeying with the tariff question or

discuss the position that was taken by the Government two years ago. We know then that the expectation was held out to the country, and particularly to some of my western friends, who are sitting with hon. gentlemen opposite, that this tariff revision would take place, and that we would have a tariff with moderate protection; that we would have a tariff behind the walls of which industry would not be allowed to shelter in ease. Then we had the Tariff Commission journeying throughout this country, and later we had the announcement in the Speech from the Throne, a few months ago, that a measure based upon the Tariff Commission's findings would be brought down to this House. But now the Government comes down with the announcement that there is to be no tariff increase. Is that the case, however? This Budget increases the tariff; in its spirit and essence, it is the most protectionist Budget that has been delivered in this House in twenty years. Not only are duties left at the old levels, but new constructions, new interpretations are introduced in the Customs Act, and we find, for instance, as the hon. member for Brome (Mr. McMaster) pointed out, that as regards countries in which there is a depreciated currency, 50 per cent of the value of that currency will be taken for purposes of assessing the duty. On the other hand, we find this condition directed against trade with the United States, that the duty is to be levied on the premium in exchange between the United States and Canada. Further, we have the proposal—I do not know what particular merit there may be in it—that all goods coming to Canada must be marked with the name of the country of origin. That may be a perfectly proper measure to take, but it is quite obvious that it simply places another obstacle in the way of those engaged in trade.

At the present time, the Canadian manufacturer has against the United States manufacturer the protection of the adverse exchange. As regards woollens, which carry a duty, I think, of 30 per cent, what is the actual protection that the Canadian woollen manufacturer enjoys to-day by virtue of trade conditions and the acts of this Government? He has his 30 per cent duty; he has 12 per cent discount on his dollar in the United States, which discount acts as a protection to him; he has the rate of duty on that, and he has the import tax levied by virtue of the sales tax which the Minister of Finance (Sir Henry Drayton) has increased. Altogether the protection that the Canadian woollen manufacturer enjoys to-day is over 40 per cent as against the United States.

Mr. LALOR: What is the duty on the same class of goods going into the United States?

Mr. CRERAR: I am sorry that at the moment I cannot give my hon. friend that information, but I will take boots and shoes—

Mr. LALOR: The duty, my dear fellow, is from 30 to 40 per cent.

Some hon. MEMBERS: Order.

Mr. CRERAR: I much appreciate the endearing remarks of my hon. friend opposite, but I will cite another instance. Boots and shoes have a protection of 30 per cent in Canada. The same thing applies equally to them, and I will tell my hon. friend that boots and shoes go into the United States free of duty.

Mr. LALOR: Certainly.

Mr. CRERAR: The effect of this Budget will be simply to discourage and stop trade and to discourage industry, and Canada as a result of the attitude of my hon. friends opposite who believe in all the glories and virtues of a protective tariff, will be left to languish in isolation. There is a very notable change going on throughout the world in respect to the whole question of protection to industry. My hon. friends opposite doubtless read the manifesto published the other day by the British bankers. I do not wish to dilate upon it now as it was referred to by my hon. friend from Maple Creek the other evening. This is what the British bankers say:

> We cannot limit imports without limiting our export trade, and striking a grave blow at world wide commerce on which this Kingdom principally depends.

And further on, they say:

> We desire to enter a respectful protest against every restrictive regulation of trade which tends to diminish the resources of the State.

We have also the statement of a prominent New York banker the other day who repeated almost word for word the declaration made by these eminent bankers of Great Britain. In my judgment, the policy of protection, in the extreme position in which we have had it in Canada, was never suited to the country; but if there ever was a time when it should be changed, that time is the present.

What should our fiscal policy in this country be? I have endeavoured to lay it down to this House and to the country. It should be such as to encourage the development of the natural resources of the country. Last year Canada had a total export trade of $1,190,000,000. Where did those exports chiefly come from? Let me give the information:

Animals living	$26,000,000
Butter	5,200,000
Cheese	37,150,000
Hides and skins	4,700,000
Leather	7,000,000
Bacon and hams	31,500,000
Beef	8,500,000
Pork and other meats	4,200,000
Milk and cream	10,500,000

That makes a sum total of $134,750,000 from the products of live stock and manufactures based on live stock. What do we find in regard to cereals and vegetables?—

Oats	$ 14,150,000
Wheat	310,000,000
Other grain	19,000,000
Flax seed	3,800,000
Vegetables	10,800,000
Wheat flour	66,500,000

That makes a total of $424,250,000. Last year, with the great volume of trade that this country had, practically one-half of our exports came directly from the farm, had their origin in the agricultural industry of this country.

Mr. CURRIE: What about the manufacturers?

Mr. CRERAR: My hon. friend need not worry; I will have the figures for him in a moment. What about the products of the forest?

Wood products, manufactured and unmanufactured	$115,000,000
Wood pulp	71,500,000
Printing paper	79,000,000
Other paper	13,000,000

That makes a total of $278,500,000 worth of exports directly from our forests. These are the great natural resources of the country. Let me give the same information as regards minerals:

Asbestos	$12,600,000
Copper	13,300,000
Nickel	9,400,000
Silver	11,100,000
Coal	16,500,000

That makes a total from our mines of $62,900,000.

Then we have our fisheries, $33,000,000, and furs, $12,200,000. If we total these altogether, we find that we have $945,600,000 worth of exports based on the natural resources of this country as against a total export amounting to $1,190,000,000. My hon. friend from Simcoe North (Mr. Currie) asked a moment ago: What about manufactures? I will tell him. On textiles, we have had a protective duty of over 30 per cent—yes, going as high at times as 40 per cent during the last forty years. What was the magnificent total contribution that our textile industry, that we have been protecting for forty years in this country, made to the exports of Canada? It was $12,350,000 last year.

What about rubber goods? They have a protection running over 30 per cent, and they have been protected for forty years. They added to our total export trade last year by $10,800,000.

And what about clothing?—clothing that every person in this country, high or low, must have, and a great deal of it, because of the rigours of our climate. We have protected clothing in order to develop a clothing manufacturing industry in this country; and after forty years of protection what did it contribute to the sum total of our export trade last year? Only $3,500,000. These figures prove beyond any question of dispute where the real wealth in this country lies. I say again now what I have said before in this House, that it is the height of economic folly for this country to place these high tariff duties in favour of industries that are not based on the natural resources of Canada.

What protection has the farmer got? What protection has the lumberman got? What protection has the fisherman got? None at all. What value is a protective tariff to the Canadian farmer? My hon. friend the Minister of Finance has spoken about the home market, and that has been dealt with by my hon. friend from Red Deer (Mr. Clark). I want to point out that we are exporting hundreds of millions of dollars worth of produce from our farms more than we can possibly consume in Canada. Is it not therefore the part of wisdom so to shape the fiscal policy of this country as to give encouragement to industries, like agriculture, to the production of our forest wealth, our mineral wealth, and of the wealth from our seas? That is the sound, sane policy for this country to follow, and I am convinced that before very long this country is going to adopt that policy.

Another defect of a protective tariff is this: I submit that protection, with all its increases, and they have been great, simply facilitates the formation of combines and mergers in this country. I know that some of my friends opposite may differ with me, but I believe that that is the

inevitable result of the system. One of the crying evils that this country has suffered from in the last twenty years has been the exploitation of the Canadian people by stock watering and stock promoting in practically every industry in Canada. Let me give the House a few illustrations—and I could multiply these by a score if it were necessary.

Take the boot and shoe business—an article of vital necessity to the whole Canadian people, because even if we were disposed to do so, the rigours of our climate would not permit us to go barefooted or lightly shod. We find that in 1911 there was a merger of shoe manufacturing concerns in Canada. In that year the Ames-Holden-McCready Company, Limited, was formed, absorbing Ames-Holden, Limited, and the James McCready Company, Limited. The capital issues of these two concerns—capital stock and bonds—amounted to $3,500,000. That was their actual worth as disclosed by their bonds and capital stock. What was that turned into? $3,500,000 of common stock, $2,500,000 of preferred stock, and $1,000,000 of bonds, or a total issue of $7,000,000. One cannot speak with definite knowledge, because one has not access to the records of this company, but I believe that I am not beyond the mark when I make the statement that practically every dollar of that common stock was water. What has been the result? Boots and shoes that you and I, Mr. Speaker, and every one else in this country wear have enjoyed a tariff protection of 30 per cent. Where has the value of the common stock of the Ames-Holden-McCready Company gone? In 1920 it sold as high as $137 a share. Is that protecting industry, or is it, as I stated in this House on one occasion before, protecting exploitation of the people?

Take another article which is very commonly used in this country—glass. In 1913 the Dominion Glass Company was formed. What did it embrace? We find that it absorbed the Diamond Glass Company, with $1,000,000 of securities, capital stock and bonds; the Sydenham Glass Company with $300,000, and the Canadian Glass Company with $100,000, or a total capitalization—capital and bonds—of $1,400,000. What happened when the merger was formed? What happened under the alchemy of the stock promoter's wand? The new company that was formed was capitalized as follows: common stock, $4,250,000; preferred stock, $2,600,000; bonds, $2,000,000; or a total of $8,850,000. You will say that that common stock had no value. True, it had no value, then. There was even an inflated value given to the bonds and preferred stock, according to the statement. But what has since happened to the common stock? Under a protection of 32½ per cent this company has gone on making its glass bottles, glass jars and other glass products, until the common stock in 1920 sold as high as $69.25 a share. I ask again, is that protecting a legitimate industry in Canada, or is it enabling these promoters, through this protective tariff, to exploit the Canadian people?

I am sorry the Minister of Marine and Fisheries (Mr. Ballantyne) is going out because the next example I was going to give was the Sherwin-Williams Paint Company of Canada, Limited. This company according to the records was incorporated in 1911.

Mr. PARENT: With all kinds of colours.

Mr. CRERAR: It absorbed the Sherwin-Williams Company, Limited, with $1,000,000 of capital stock and bonds; Lewis Berger and Sons, with $750,000, and the Canadian Paint Company with $750,000, or a total of $2,500,000 of bonds and stock. Under the alchemy of the promoter's wand this was converted into $9,450,000, as follows; $4,000,000 of common stock, $3,000,000 of preferred stock, and $2,450,000 of bonds.

Mr. ARCHAMBAULT: Lots of water in the paint.

Mr. CRERAR: This industry has enjoyed a protection of 30 per cent, or better, ever since we have had a protective tariff. What has happened to its common stock? Last year the common stock of the Sherwin-Williams Paint Company sold as high as $119, according to the stock quotations in the financial journals of this country. Was there actual value put into this stock?

Mr. BALLANTYNE: The company was formed in 1911. Will my hon. friend be good enough to tell the House what the stock sold for without any dividend at all? The dividend has only been paid this last year?

Mr. CRERAR: The common stock in 1911 was worth nothing.

Mr. BALLANTYNE: I asked my hon. friend what the stock was selling for, not for his opinion as to what it was worth.

Mr. CRERAR: In 1911 it sold as low as 29.

Mr. BALLANTYNE: And in 1920?

Mr. CRERAR: It sold as high as $119, and sold down again to $75. I want to do full justice to my hon. friend the Minister of Marine and Fisheries. There is $4,000,000 of common stock, which in 1911 sold at less than $30 a share; the lowest point the stock touched last year was $75 a share, and all the time there has been a protective tariff on paint coming into this country of over 30 per cent.

I have been represented as being opposed to industries in this country. I am not opposed to industries in Canada. I should like to see industries developed in Canada, but I am opposed, as I trust I shall ever be, to a system of protection that permits this sort of thing and exploits the great masses of the Canadian people in order that a few individuals may enrich themselves.

Now, Sir, the effect of these taxes which my hon. friend the Minister of Finance has imposed is to increase the cost of living in this country; they can have no other effect. I have shown, as my hon. friend from Red Deer (Mr. Clark) and other hon. gentlemen who have preceded me have shown, that the purpose of these taxes is to increase the tariff. The operation of the sales tax will also bear heavily upon the poor man. My hon. friend from Red Deer stated the thing in a nutshell in his argument the other day, and so far there has not been an hon. gentleman opposite who has attempted to reply to the argument which my hon. friend advanced. As the hon. member for Red Deer said, the operation of these taxes will raise the prices of commodities in the country. If it raises the prices of commodities it limits and decreases the consumption of them. If it limits and decreases consumption it decreases production, and if it decreases production it brings stagnation to business and unemployment to labour.

That is the inevitable effect of the operation of these taxes. My hon. friend from Red Deer pointed it our clearly, and so far he has not been answered by any hon. gentleman who has attempted to discuss the matter on the other side of the chamber. Furthermore, these taxes are not levied according to the ability of the citizen to pay. Now, I have every sympathy with the position in which the Minister of Finance finds himself, because it is extremely difficult to get the revenues which this country requires in the days we are passing through. But the minister, through the operation of the sales tax, is increasing the cost of living to every person in the country. What about the wealthy man who spends six months in California or Florida, or Europe? He has not to pay taxes on purchases when he is away. But the poor man with the limited income,—he may be out of work, without any income at all, just living on the slender resources he may have accumulated in the past—finds himself in an altogether different situation. What position is he in? and what position is the returned soldier in? This tax will hit them every day in the year; they cannot escape from it; and to that extent my hon. friend has been very unwise in the taxes he is imposing.

Mr. BALLANTYNE: I should like to ask my hon. friend whether he and his party are still in favour of increasing the British preference to 50 per cent and, after five years, of having absolutely free trade.

Mr. CRERAR: I have no hesitation in saying that we are in favour of increasing the British preference to 50 per cent. Now, these taxes are not only bad in their effect, but I submit that they will not get the revenue required. If business is stagnant, if you discourage business and discourage trade generally, how are you going to get your revenue? If our experience of the past proves anything, it proves that when trade is most buoyant, when we are exporting the most, our revenue is the most easily obtained. But the only effect of the taxes which my hon. friend has imposed will be to discourage trade and industry. We are not paying our way as we go. In Great Britain they are doing better in that respect than we are, for they paid last year £256,000,000 of their debt. My right hon. friend the leader of the Government (Mr. Meighen) states that this was accomplished mainly from the sale of war supplies. That may be although I cannot find anything to that effect in a reading of the budget speech of the British Chancellor delivered a few weeks ago in the British House of Commons. But what do they propose to do this year? They propose to pay off over £80,000,000 out of current revenue, according to the statement of the British Chancellor of the Exchequer in the speech he delivered to the British Parliament when he brought down his budget. And what are they doing in the United States? Sir, one of the first things which the new Secretary of the Treasury in the United States did was to impress upon Congress and upon the people the great need of economy; and the American people are not spending to-day in public expenditure anything like what we in Canada are spending

in the same ratio to population. I hope the fear is unwarranted, but I am afraid that my hon. friend, when the year comes to a close, will find that his revenues have not come up to his anticipations. I would urge again upon him and upon the Government the great need of laying down some definite financial policy. I know that the matter of taxes is a difficult one; no one likes to pay taxes. But we must have the revenues that are required to pay the interest on our debt, to meet the charges for returned soldiers, to pay pensions, maintenance, etc., and to provide for all the other services which are necessary in the public welfare. But we should aim to raise these taxes where they will bear as lightly as possible upon the great mass of the common people of the country, and in that respect I would offer one or two suggestions to the Minister of Finance. I have not very much hope that he will accept them, but nevertheless I proffer them. I think that the income tax might very well have been extended. A man with an income of $20,000 in Canada to-day pays a tax of some $1,500 or $1,600, as compared with a similar tax on a similar income in Great Britain of almost $6,000. It is true that on the larger incomes, running up to $100,000, $150,000 and $200,000, our tax in Canada is heavier than in Great Britain. But I think the range of income might have been extended. I think also that my hon. friend might have somewhat increased the income tax on corporations. He has abolished the business profits tax, and in that respect he has acted wisely. But it does seem to me that the income tax on corporations might have been somewhat, possibly, considerably extended. And then there is another source of revenue that may not be very well understood in the House, although it is one which I think the Government might well consider when it is looking for money with which to carry on public affairs. My hon. friend from Gloucester (Mr. Turgeon) last evening referred to the possibility of raising revenue by a tax on the values of land. The hon. Minister of Marine (Mr. Ballantyne) referred to this subject in his speech the other day, but he spoke of the tax as a land tax, and I desire to draw the distinction clearly between a land tax and a tax on the unimproved values of land, which is a totally different thing from a flat tax on land. How does this tax on the unimproved values of land operate? Let me illustrate it. I know of a case, which has come under my observation, where a certain gentleman in one of the cities of Canada owns an apartment block. He has alongside it a vacant lot. He derives his income mainly from the revenues he receives from the dwellings and buildings he rents. He spends very little of his time in Canada, but his agent comes around every month to collect the rents. The vacant lot he holds is increasing in value every year by virtue of the fact that the people around are busy working and carrying on all the activities of a civilized community. What does this gentleman hope to do? What has he done in countless cases in the past? He has reaped the advantage of the increase in value, but he gets off with a very slight, a nominal tax on the land he has held out of use. Now, this tax on the unimproved values of land would have the effect of bringing such land as this into use. It would take for the state simply the increment that comes to the land as a result of the activities of the people living in the community and would be no injustice to anyone; and it would lessen the burden on the poor individual—the workingman, the clerk in the store, the clerk in the law office—who has to pay, in many of our Canadian cities, exorbitant rents in order to get a place in which to live. That is the effect of this. I would suggest to my right hon. friend that this avenue of taxation might well be inquired into. I know that, particularly, in the western provinces, this principle has been applied by the Provincial Governments, and it may be that that field of taxation should be left to them, but it is worth seriously enquiring into. In that connection I have another suggestion to make to my hon. friend and it is this—it might be well to-day to have a conference, not only with the provinces but with representatives from some of our larger cities, with a view of reaching some definite understanding as to the relative fields of taxation in Canada.

Now, Sir, I have taken more time than I intended.

Some hon. MEMBERS: Go on.

Mr. CRERAR: Our trade is shrinking, it is shrinking seriously. The effect of the United States tariff legislation has already been alluded to, and I cannot help but regret the action of my hon. friends opposite when they rejected the reciprocity arrangement of 1911. We have had for several years past one of the best markets for our natural products in the United States. I do not know that we can complain of the action they are taking in that country, but I would offer this suggestion to the Minister of Trade and Commerce—

that he might very well say to our friends at Washington "Let us talk this matter over." Let him tell them frankly that we are ready to trade with them on the basis of the 1911 arrangement. That arrangement still stands on their statute books, and it may be that they would yet accept it; and if my hon. friend will do that he will render to Canada one of the best services he has ever given to it in his long and distinguished career.

But I want to point out to my manufacturing friends what the effect is going to be of a restricted market for our agricultural products. We sold last year almost $160,000,000 of agricultural products in the United States, and we know the condition that the European markets are in in this respect. Therefore I say to my manufacturing friends, "Where are you going to sell your goods if the Canadian farmer is not prosperous?" It is one of the unfortunate facts—perhaps it was unavoidable—of a protective tariff that our manufacturing industries have not extended their markets in the world. I have proven that by the figures I quoted to the House. We are at the present time having a decline in the values of farm products. Why, Sir, in the past year alone the value of live animals in Canada has decreased over $350,000,000. The farmers are selling oats for 19 cents a bushel and hides for one cent a pound, as my hon. friend from Red Deer (Mr. Clark) pointed out, and paying $10 and $12 a pair for shoes. You cannot have prosperity in a country under those conditions; and if my manufacturing friends desire to extend their business it should be of the first and greatest concern to them that the farmers of this country are prosperous and remain prosperous.

I would offer this suggestion to the Government also, and to my hon. friend the Minister of Finance with whom I sympathize in his many troubles and tribulations; that we should have a policy of rigid economy absolutely; rigid economy first, last and all the time; rigid economy for five years at any rate until we have refunded our maturing obligations, until we have passed through this period of depression that we are in now and of which we have not yet reached the bottom. Under such circumstances only economy of the most rigid kind can satisfy the demands and needs of the hour.

Then I would offer another suggestion—that we could dispense with expenditures of a local character. Very often in this House we are called upon to vote moneys for purely local purposes. That is not sound business nor is it sound policy. Local needs should be cared for by local taxation, and that matter is one that could well engage the attention of the Government.

I think also—as I suggested a moment ago—that the Minister of Finance might well call into consultation the treasurers of the various provinces and the treasurers of our large cities—follow the practice that was adopted early in the war when the late Minister of Finance laid down certain restrictions with respect to the sale of securities, and when there was an effort made to unify and co-ordinate the financial policy of Canada from the Atlantic to the Pacific. My hon. friend should do that and he should do it without delay, because the burden of taxation upon the people is growing every day and their ability to pay is growing less every day.

I would offer another suggestion to the Government: They might very well discontinue the expenditure on roads and on the housing problem that we have been engaging in for the last few years. That was undertaken at a time when there was apparently a growing need in the country for such purposes, but I submit again that that is expenditure that should be cared for by the provinces or by the municipalities interested. After all, the burdens of the municipalities in Canada and the burdens of the provinces are infinitely less, financially, than are the burdens on the Federal Treasury.

I am not very sanguine that my suggestions will be taken by the Government, but I repeat that our situation is serious—if I cannot impress that upon the Government I hope I may, in some degree, impress it upon the country. The people of Canada to-day—on information given me a short time ago by a gentleman who I think is usually careful in his estimates—are paying in taxes for federal, provincial and municipal purposes over one thousand million dollars a year, and we are paying, to meet our obligations abroad, almost $250,000,000 a year. That burden is a very heavy burden.

Sir, the Government should give some lead to the country. But do we get any lead from the Government either in economy or any other direction at the present time? So far we have not had it. My hon. friends opposite—and I do not wish to do any injustice to them; I think I will be given credit by most hon. gentlemen in this House for fairness—it does seem to me that my hon. friends opposite

are mainly concerned with their political success rather than with the pressing needs of the country at this time, and such a policy can bring no useful result to the Canadian people. There is no doubt, Sir, that our difficulties are great, our problems are serious. I would like to see the Prime Minister—and I do not wish him any ill—I would like to see him, and I would like to see this Government, give a definite lead to the country at the present time, give a definite lead in economy, place frankly before the country the difficulties and the serious nature of the problems that lie immediately ahead of us; and I have faith and confidence in the Canadian people that they will rally to the support of any Government that attempts to meet the necessities of the hour as they should be met. But, Sir, when we look at the Treasury Benches of to-day, when we analyse and study the policy of the Government, when we see the motives that animate it in its public administration of this country's affairs, it offers but little hope for the future. We can only get relief from this condition of affairs when we have had an election, and when the country has had an opportunity to pronounce upon these problems and to elect representatives to this Parliament who will give the Government of this country the efficiency, the vigour, and the courage that it calls for at the present time.

Mr. WILLIAM FOSTER COCKSHUTT (Brantford): Mr. Speaker—

An hon. MEMBER: Six o'clock.

Mr. COCKSHUTT: Mr. Speaker, I do not think it is quite six o'clock. I think I will be able to give the hon. gentleman who made that interjection a few facts before six o'clock is reached.

Before entering upon a reply to my hon. friend who has just taken his seat I wish to make one or two remarks with regard to the Budget that has been brought down. I hope that my hon. friend from Marquette, to whom I have listened very patiently, will be on hand when I have to address certain remarks to himself in reply to certain references he has made with regard to the manufacturers. I just throw that out as a hint to my hon. friend, who is now leaving the chamber, in order that he may kindly return if possible. The Budget, as prepared and presented by the Minister of Finance, I consider is upon the whole one of the best and most pleasing that Canada has had in many years. That may be considered quite a statement for me to make, but we must remember that we are living in very extraordinary times, and therefore we have to fit our views to suit the situation in which we find ourselves placed. That the Minister of Finance should be able to show that we have taken care of all our ordinary expenditure and have a surplus at our command of about $70,000,000 is, I think, an achievement in these days that very few countries can show. The Minister of Finance and I have not seen eye to eye upon every matter of taxation, and it is not to be supposed that we would always agree on such matters. Taxation is never pleasant, and it touches a man in a very sensitive part of his constitution; therefore we must make allowances when we feel that we are taxed severely, knowing that the needs of the treasury are great and must be met regardless of who may be touched and what interests may be affected. I am free to say that I, for one, have felt the taxation very severely. Probably some of my hon. friends opposite will say I did not show it, and I tried not to. I must say, however, that I have been taxed during the past two years in a way that I never expected to live to see; and while my hon. friend from Marquette shouts for more income tax, I do not know where he expects to get very much more than is being collected to-day. I say it, and with some knowledge of the facts, Mr. Speaker, that we have been taxed already to a degree that is affecting our commercial affairs in a very serious way. There is not a bit of doubt about that. All the money that is taken from the pockets of the manufacturer, the merchant or the tradesman is diverted from its ordinary avocation of building up and extending industries, of maintaining those that are here, and of seeing that the workmen are employed. Whenever the money is diverted from the pockets of those who think that they have made it honestly and is put into the Treasury, that money for the time being, is withdrawn from all productive effort; that has been the case to a very large extent in Canada; and I trust that as soon as the Minister of Finance is able to reduce that taxation he will do so. In the meantime we must pay it with the best grace possible, and I for one am endeavouring to do that.

The business profits tax, I am thankful to know, is gone. Probably it was more damaging and dangerous to industry than is the income tax, because the money thus

collected was primarily intended for extensions of factories, for the implanting of new industries, and for all that variety of enterprises to which spare capital can be devoted.

The railway situation, as has been pointed out by the hon. member for Marquette, is very serious for the country, and has called for a large portion of our revenue to go into channels for which it was not intended.

And now having made these very brief references to the Budget as a whole, I purpose in the brief time at my disposal to devote considerable attention to the august aggregation of Agrarians sitting across the chamber. I regret that in spite of my reference to the hon. member for Marquette he has withdrawn. His speech, as I understand it, was a political speech from start to finish. It was such a speech as probably he has been delivering in New Brunswick recently. It is evidently intended for campaign purposes. The part of his speech that was not devoted to denouncing industry because it was unsuccessful was devoted to opposing those who have made money out of manufacturing. So whether manufacturing was a failure or a success it was just as heartily cursed by the hon. member for Marquette.

I cannot conceive what has imbued apparently so fair-minded a man as the hon. gentleman who leads the Agrarian party to take such a hostile attitude towards all those who are engaged in the industries of this country. He is not attacking merely the few at the head of our industries, he is attacking the bread and butter of every workingman in Canada; and if he succeeds in destroying the industries of this country, as he is evidently bent upon, he is going to throw out of work tens of thousands of workmen from coast to coast. Anybody can see that; everybody knows it. If it were only the three or four or five thousand manufacturers who get the advantage of the protective tariff I would say at once: The number of them does not justify the tariff; take it off. But when you speak of a factory you not only speak of the men at the head of it, of the board of directors, and of the shareholders, but you speak of every man who is at the bench and getting his daily bread by honest toil. I say, Mr. Speaker, that the production of the factory in honest goods is entitled to just as fair consideration, and no fairer, as the production of the field—a statement that cannot be successfully contradicted by any man in this House or outside of it. The honest toil of the workman that goes into the manufactured product and is sold in the markets of the world or in the home market is just as worthy as the toil that goes into the production of a bushel of wheat or oats or a pound of butter. I stand for both. I have always advocated the policy of helping the farm as well as the factory, and I must say that the feeling evinced by our friends in the West is not at all the same as that which prevails in my county. We have cordial co-operation there between the farmers and the manufacturers. Many of the former quit their farms in the winter time and come and work in our factories, leaving a boy, and in some cases a woman to do the chores, thus allowing the man to earn money during the winter season. That is done throughout Ontario in scores of our cities and towns; and surely that is an advantage that should not be forgotten by the farmer himself. Then take the home market. In the city of Brantford alone we consume more of certain lines of farm products than are grown in the county of Brant. Is that no advantage to the farmer? My hon. friend from Marquette bemoans that we cannot send more agricultural products to the markets of the world. He neglected throughout his entire speech to show, as he very well could, that upwards of seventy-five per cent of the agricultural products of Canada are consumed at home. Is that not worth while? Are you going to sacrifice three-quarters of your market for the sake of a doubtful one-quarter in foreign countries? And still that is the policy proposed by the hon. member for Marquette. He has got another guess coming before he is a statesman big enough to govern a country like Canada, if the speech we have heard this afternoon is to be taken as a measure of his statesmanship. He has shown no breadth of vision. He denounced manufacturing and all those engaged in it; apparently he has no good word for anybody not engaged in agriculture. I do not know that he himself follows agriculture very much. Perhaps he does, but I must say he does not look as though he had been working at it lately.

I stand just as four-square for agriculture and the farmer as for manufacturing and the manufacturer. I have shown that in this House on previous occasions, and there have been times in my political career when I have taken off my coat and helped farmer candidates in my own riding. Although three-quarters of the voters lived in the city, we nominated the farmer and got behind him and did our best to elect him.

I will do that again on any occasion when a farmer runs as a citizen. I say he should run as a citizen of Canada, not as a farmer; we shall never get anywhere by class legislation. The workingman is entitled to a seat in this House. I say, all honour to the workingman who can be elected, and where a workingman will run in one of our towns or cities I am prepared to support him if he runs as a citizen of Canada and not as a nominee of Labour. If a manufacturer runs as nominated by the Canadian Manufacturers' Association and is backed only by that organization when he is put into the field, I will absolutely refuse to aid him in any way no matter what his views are. Am I not consistent? I have never been put in the field by the manufacturers. I have never sought anything from the Manufacturers' Association; I have never been a member of it and do not suppose I ever will be. Any nominations I have ever had have come more from the workingmen than any one else, and I have had the farmers' support as well; in fact, I received more support from that direction in the last election than I did on any previous occasion. I mention this, Mr. Speaker, only to show that I am prepared in all respects to see that our farmer and rural population get their fair representation in this House. As a result of the elections in 1917, if I remember rightly, we had fifty farmers sitting on this side, all elected not as farmers but as citizens of Canada. Are they not farmers still? Are they not good men upon the land? Are they any less men and citizens of Canada because they did not run particularly in the Agrarian interests? I cannot see it, Mr. Speaker. I say, all honour to these men who have been elected in that way as citizens of Canada, who have taken a broad view of the country's affairs, and who have been of the opinion that this country is too large and too varied in its character to be run in any one particular groove. It seems to me, Sir, that that is sound policy.

The member for Marquette uttered a wail of woe with regard to what the manufacturers have done and are doing. But I do not think he can show that the manufacturers have been unduly grasping, or that they have not been managing their businesses fairly well. I read in a pamphlet containing facts with regard to Canada, just issued—1921—on the second page, that Canada's agricultural wealth in 1919 was estimated at $7,379,299,000, made up as follows: agricultural production, $1,975,841,000; value of farm land, $2,792,299,000; buildings, $927,548,000; implements, $387,079,000; farm live stock, $1,296,602,000. You will note that the agricultural production was $1,975,841,000 in 1919. Now, let me draw the attention of my hon. friends opposite to what manufacturing did in the year previous to that, 1918—because for some reason or other the book is not as up-to-date in the matter of manufacturing as it is in its figures with regard to agriculture. I read from page 42, which gives figures of the industrial census. The capitalization of industries in 1915 was $1,994,103,272 and in 1918, three years later, it had risen to $3,034,301,915.

An hon. MEMBER: Watered stock.

Mr. COCKSHUTT: Well, you may say watered stock, but we can produce the goods as well, as I will show you. The production of industries in 1915 was $1,407,138,140, and in 1918—and let my hon. friends make a note of it—it was $3,458,036,975, or upwards of fifty per cent more than the whole agricultural output of Canada. Does that show any progress?

Mr. MAHARG: Munitions of war.

Mr. COCKSHUTT: We are not talking about munitions; we are talking about products, and there are the figures set forth in a disinterested book, taken from statistics. My hon. friend may twist them as he likes, but the facts are there, and he does not like them. This country is at least half industrial to-day, and in spite of all the efforts of my agrarian friends they are never going to make Canada a purely agrarian country. Canada is not built on those lines.

Mr. WHITE: Is the increase not accounted for by the large increase of prices of manufactured goods? Prices went up 100 per cent in the last five years.

Mr. COCKSHUTT: I admit that, but my hon. friend will also admit that the prices of agricultural products advanced as fast as, if not a little faster than, the prices of manufactured goods.

Mr. WHITE: And they are going down a good deal faster than is the case with the agricultural implements.

Mr. COCKSHUTT: Well, we swallow more of them, I suppose, in our daily round. My hon. friend cannot make any argument with regard to the prices of these articles. The years to which I have referred are both war years, and the prices of all these things were war prices. My

hon. friend is a farmer, and he will know that during the war when the manufacturer was denounced for his high prices the farmer could drive in to his neighbouring town or city in the west, and in exchange for the value of a load of produce of any kind take home more goods than he could ever have taken home in pre-war days. That is a statement that cannot be refuted. Of course, I am speaking now of the war time, not of present conditions, because, as the hon. gentleman has pointed out, prices have dropped, and it may be that the agriculturist has suffered more than those engaged in some lines of industry. But if my hon. friends think that the making of goods is all "pie", I advise them to try it. There is the proof of the pudding. They are large sellers of all kinds of goods; I would advise them to try it. They have read some astounding figures with regard to the paint industry and other industries to show that money was being made too fast. The hon. gentleman also read a number of statistics in order to show that some of these industries were making money too slowly and were no good because they could not export to foreign countries. But I have shown, Mr. Speaker, that the industries of Canada produced in 1918 upwards of $3,000,000,000 worth of goods.

Mr. REID (Mackenzie): Will my hon. friend give the figures for 1920?

Mr. COCKSHUTT: I am sorry that I cannot do so; as I have said, the book gives the figures in respect to manufacturing only up to 1918 and of agriculture only up to 1919. Of course, the figures for 1920 are not yet available, in any case.

Mr. GOULD: Is it not possible that in the figures my hon. friend has given, wheat which has been ground and manufactured into flour is counted in with total manufactures?

Mr. COCKSHUTT: This classification is not mine; it is prepared by the authority who has prepared it annually in Toronto for many years, Mr. Frank Yeigh. I should say that what he called manufactured goods are manufactured goods, and it is not unlikely that some of them are the product of the farms. But the more we can manufacture in Canada of all these goods; the more we can send out in highly finished form, the more money we in Canada get for them. That is evident, I think, to all.

I noted the other evening the speech of my hon. friend from Qu'Appelle (Mr. Thomson). Apparently he foreshadowed to some extent what we might expect from the leader of the Agrarian party. He made a very vicious attack upon manufacturers and their products. He denounced us as practically eating up the people, and as bonused, I think he said, to the extent of five or six hundred million dollars—a hundred million dollars did not matter very much. All the same, I think I can show that we have given fairly good results for the money.

The hon. member for Qu'Appelle, who, I understand, is chief whip of the Agrarian party, bemoaned very seriously the low price of hides, and I think that bemoaning of his has been echoed by several gentlemen in the Agrarian party. I was thinking of making this suggestion to the Agrarian party, that they take advantage of the low price of hides to lay in one or two new whips for the party. How would that be? I think the hon. member for Qu'Appelle saw that this was coming because he bemoaned the price of hides. Two or three good raw hides could be laid in very cheaply, and I am not sure that they would not have more effect than the hon. member for Qu'Appelle has upon the party at times, because I notice that he has not been able to hold them in subjection at all times during the present session. Sometimes they voted on one side and sometimes on the other. I commend them for that, but that does not look like good whipping, does it? My hon. friend, when he bemoans all this, should realize that the manufacturers, as well as the farmers, have their troubles. I am not sure that the hon. member for Qu'Appelle is either a farmer or a lawyer. Sometimes, I think he applies legal knowledge to his farming, and sometimes I think he applies his farming knowledge to the legal profession. He seems to be in a general state of mixture.

Mr. MAHARG: And a good one.

Mr. COCKSHUTT: It is a good one, is it? There may be differences of opinion as to that. I very much regret that the hon. member for Marquette (Mr. Crerar) has not yet come back into the chamber. I got up largely to refute statements that have been made freely by the Agrarian party, not only in this House, but on the platform throughout the country. I always try to have my statements as nearly as possible correct on the subject on which I am speaking. If I make a mistake, that

mistake has been made unintentionally and not by device. The hon. member for Qu'Appelle the other night repeated a statement made in this House some six or eight weeks ago, when the Minister of Militia and Defence (Mr. Guthrie) was giving to the House certain facts with regard to protection to industries, and particularly with regard to the implement business. The shout came back from across the way—and I think my few friends who remain in the chamber will recognize this—that the reason the United Farmer does not buy his implements in Canada, is because the manufacturer will not sell to him. I think my hon. friend recognizes this statement as having been made.

Mr. MAHARG: Certainly.

Mr. COCKSHUTT: The hon. member for Qu'Appelle says that, inasmuch as this statement was not contradicted in the House, he takes it for granted that it is correct. Well, if every part of my hon. friend's speech that was not correct was contradicted, there would not be very much left. The reason why we did not contradict this at the time is because it is against the rules of this House to jump up and butt in on a speaker when he is making, no matter how ridiculous, a statement. The statement that he made is one that cannot be borne out by the facts.

Mr. REID (Mackenzie): Does my hon. friend deny that the manufacturers of Canada refused to sell agricultural implements to the Grain Growers of the West when they first wanted to buy them?

Mr. COCKSHUTT: My hon. friend puts in "when they first wanted to buy them." This statement was made this week in the House, and it has been made several times during this session. I want to say a few words in regard to the matter. When the debate took place in this House about six weeks ago, in which debate the Minister of Militia and Defence took part, the cry came back—and it was distinctly heard on this side—from several hon. members that the reason why the United Farmers did not buy their implements in Canada was because they could not buy them from Canadian manufacturers. That was a statement, not of the past, but of the present. I have had an opportunity, during the interval, to find out a little about that, and I say to the hon. member for Mackenzie (Mr. Reid), who is an honourable man, that the statement is not correct. These gentlemen, as soon as they made the statement, set about to prove it, but a wise man would have proved the fact first and made the statement afterwards. That was not the case with the Agrarian party; they rushed in and then they tried to get the facts to back them up in what they hoped was so. It was only two or three days after that statement was made in the House that their friend, Mr. Rice Jones, whose name, I think my hon. friends will realize, is a comparatively well-known name in the West, wired to a certain firm in Brantford to know if he could be received by that firm on business. The answer went back promptly naming a day and asking him to come on.

Mr. MAHARG: They will all sell now.

Mr. COCKSHUTT: He did not come; but he wired again in a few days to know if he could be received, and again he got an answer: "Come on." Apparently, he was looking for a telegram to say: "We will not meet you and we will not sell to you;" but he did not get it. He got an invitation to come on, and that is the last thing that he wanted. But finally, after great deliberation, and no doubt after some of my hon. friends had been consulted, he came on and the firm on whom he waited said to him: "Submit your proposition with regard to buying implements; we will consider it, and we hope to do business." But up to the last time that I have heard, not a word has come out from the hon. gentleman's friend in the West since. Does that show any strong desire to buy in Ontario? He wanted to be refused, and then he wanted to go down, as the hon. member for Marquette has done, into York-Sunbury and flourish a telegram there and say: "One of the big implement people of Canada has refused to sell agricultural implements to the farmers and that is the reason why we are buying them in the United States." But such was not the answer he received. I have not made any canvass of the manufacturers, but I have stumbled across three who have not only offered to sell, but have sold, to the Grain Growers' organization. Does that prove that the manufacturers of Canada will not sell? When the Farmers' party made that statement, did they mean that every manufacturer had been tried by them and that every manufacturer had refused? If they did not, they had no business to use the words that they did. They might have said: "Some manufacturers will not sell to us." They cannot say that all the manufacturers will not sell to them, because they have not tried them all. Some manufacturers who have wanted and who have tried to sell to them, have not been able to sell very

much, so that the Agrarian party have not very much grievance in that regard. The fact of the matter is that their whole opposition is against the implement industry in Canada, and when they can buy an article outside instead of inside the country, they are going to buy the article from an outside manufacturer. As was pointed out in this House on more than one occasion, the only Canadian-made article in a 100-page illustrated catalogue issued by them, was a wogon made in Petrolea. I think, perhaps, my hon. friend may recognize it. Whether they drove too hard a bargain, or whatever was the cause, the business that they gave that manufacturer was not long in shutting up the works, and it is a dead duck to-day. That was practically the only item manufactured in Canada amongst the implements advertised in the whole of their list. The United Farmers were offered the plant for a mere song. But did they buy it? No, they looked over it pretty carefully: It was going at about 30 cents on the dollar, but there was so much money in making wagons that they did not think they would venture even that much in the business, so they did not buy it, and the business has since passed into the hands of another Brantford concern, by whom it is being run at the present time.

The hon. member for Marquette (Mr. Crerar) tells us that free trade is a brilliant success with regard to binder twine, barbed wire, and cream separators. We have heard from the Prime Minister what happened to binder twine. If there is any one in the House who should know something about binder twine, I think I should, as I have lived almost within sight of two of the largest factories in Canada for a great many years. Binder twine was put on the free list some 12 or 15 years ago. At that time there were about 20 factories in Canada manufacturing binder twine. That number has since shrunk to three, and one of these is an American concern. The farmers did not even have pity on their own fellows, those who were in the same business as themselves, for the Farmers' Co-operative Binder Twine Company of Brantford was composed of about 4,000 farmers, just as good farmers as anybody, although they may not have been farming on as big a scale as some, but they had their money in this binder twine business, and at one time it was a great success, paying nearly 100 per cent in one year; but so drastic was the call of the West and so fierce were the denunciations of the Western farmers of a 10 per cent duty on binder twine, which would have saved the business, that it was ruined, and the last remnants of that company are now being wound up. These 3,000 or 4,000 farmers who had their money in the concern, and owned it, were put out of business. The same thing happened with regard to a pork packing industry there, owned entirely by farmers. That was put out of business in a comparatively short time, but not by being put on the free list. However, they were handling a farm product that benefits right now, and always has for years, through the tariff. When my hon. friends of the Agrarian party tell us there is no benefit in the tariff to the farmer, I say that they do not know Ontario, although my hon. friend from Maple Creek (Mr. Maharg) ought to know Ontario, for he tells us he was born here. He must have forgotten more than he should have about his native province, when he can stand up and say that the tariff does no good to the Canadian farmer.

Mr. MAHARG: I am proud of it.

Mr. COCKSHUTT: Proud of what you forgot?

Mr. MAHARG: Proud of the province.

Mr. COCKSHUTT: Then I do not see why you do not remember it a little in your policy. The policy you are pursuing is destructive to the farmer of Ontario. You ask the fruit growers of Ontario, of whom there are a large number, what they think of your policy, or the vegetable growers, or the man who produces poultry and eggs. My hon. friend from Marquette tells us that the farmer gets no benefit from the tariff. Why, only recently there were 600 tons of Chinese eggs imported into this country under a duty of 4 cents a dozen. I would not mind seeing the duty put at 10 cents a dozen if it would keep those eggs out.

Mr. GOULD: We do not want that.

Mr. COCKSHUTT: No, because you do not raise chickens, but your chickens may come home to roost some day. I would like to have a little field day with my hon. friend from Assiniboia (Mr. Gould). If he will come up our way, we will take a bunch of farmers along to listen to us. He will draw the farmers, and I will try and give them the facts. I say that my hon. friends of the Agrarian party, many of whom came from Ontario, if they will consult the Ontario farmers, will find that the tariff has saved the farmers of Ontario.

My hon. friends talk about rural depopulation. I say that does not exist in our part

of the country. Our farmers have all the men they want. My hon. friends tell us, on the one hand, that they cannot sell their products at a profit, that hides are out of sight, that eggs, butter, cheese, wheat and all the rest of it are on the tumble, and then, on the other hand, they say: We will be saved if you populate the country—put more farmers on the land to raise more stuff that cannot be sold. That is a fine piece of argument, a beautiful demonstration of wit. They are going to be saved by getting more people to produce more of the stuff that they cannot sell now at a profit. I cannot imagine any other business in the world that would take that view. If my hon. friend wants to lose money, I would advise him to go into the plough business.

Mr. GOULD: I would cordially invite my hon. friend to come to Assiniboia, as he has invited me out.

Mr. COCKSHUTT: I do not know but what I would feel more at home in my native province, from which my hon. friend also comes. I have not forgot the hole of the pit from whence I was digged. I have spoken in the West. I am not afraid to meet men who do not agree with me; I have met them before, and it may be that I shall meet them again in this House. I am not afraid to give the reason for the faith that is in me, and I say in all sincerity that the protective policy which has been followed in Canada for the past forty years has been to the vast advantage of the farmers of Ontario. That can be proved to a demonstration in every town and city of our province, and on every farm that is adjacent to those towns and cities, in which the farmers sell their produce and get their price. The home market is the best; it is the market that pays for the goods, and takes them off your hands immediately. My hon. friends seem to look upon the home market practically as a liability, instead of as an asset. They say, why cannot the implement manufacturer sell in Canada as cheaply as the United States manufacturer would sell without the duty? Let me tell them a few things that the manufacturer has to meet. In the first place, he has to settle with the Dominion Government on his profits—and that takes a large part of them. Then he has to take out a Dominion charter. Even that is not sufficient; he has to pay for a license in every province in which he does business. I know of one institution, Mr. Speaker, that before it could begin business had to pay out $200,000 in taxes, federal, provincial and municipal. My hon. friends of the Agrarian party propose to let the American manufacturer who is over the border, and who has not paid one cent of these taxes—who has not supported a single one of our municipal institutions, who has not given a dollar to schools, a dollar to churches, a dollar to charity, or a dollar to the province or municipality—come into this country and divide the market with the man who has paid all these things. And they call that a square deal.

Mr. WHITE: How does the manufacturer pay these taxes? Does he not pass them on to the consumer?

Mr. COCKSHUTT: He pays them in cash.

Mr. WHITE: Where does he get the cash?

Mr. COCKSHUTT: As best he can. Sometimes he borrows it.

Mr. WHITE: He adds the taxes to the price of the goods he sells.

Mr. COCKSHUTT: My hon. friend knows that cash comes in slowly at times, especially if you have it loaned out, or have sold goods that are not paid for. My hon. friend who has lived so long in the West knows that there is quite an interval between the time that goods are sold and the time they are paid for. This game of setting the farmer against the city man, and the city man against the farmer, is one that should not be indulged in. It cannot possibly lead to any good.

Some hon. MEMBERS: Hear, hear.

Mr. COCKSHUTT: Who began it, and who has carried it on in this House during all this debate? I would not have made any of these remarks if hon. gentlemen across the way had not courted them by making a vicious attack upon manufacturers as a body, and in doing so, they attacked every working man and everybody that is employed in our towns and cities and is dependent upon these industries for his living. The question was asked the hon. member for Marquette (Mr. Crerar) a few moments ago, whether he stood by the Farmers' platform and believed in the 50 per cent reduction as a preference to British goods. He replied that he certainly did. He has also endorsed the Council of Agriculture's platform, which declares that they want free trade with Britain within five years. I think my hon. friend recognizes that as a correct statement. Well, what does free trade with Britain mean? Free trade with Britain simply

means free trade with the world. I have pointed that out on many occasions to my hon. friends, but they cannot see it. Free trade with Britain would simply mean that goods from the United States would go to Liverpool and thence into Canada free; it would mean that German goods would go to Britain and then come free into Canada. And the same would be the case with French and Belgian goods and the products of other countries. My hon. friend shakes his head, but he knows that he could not stop these goods from coming into Canada free if we had free trade with Britain. My hon. friend knows that if three wells are connected by pipes the water will run freely from the first into the third though it has to go through the second; the water of all three will find the same level. So that my hon. friends, when they talk about free trade with Britain, are simply advocating free trade with the world, and if they have not got that fact into their heads they had better do so before they attempt to put this theory of theirs into practice. Let me repeat once more, for the benefit of those hon. gentlemen, that free trade with Britain is free trade with the world.

Those hon. gentlemen have denounced this Government for reckless expenditure and tremendous extravagance, and my hon. friend from Marquette, again, is the one who has principally made these charges. Let me ask the hon. gentleman this question: What about his own farmer government in Ontario? What about their spending proclivities? Has he a word to say in condemnation of them? Well, Sir, if the sample of government we have got from the Farmers in Ontario is to be taken as a fair example of what they would do for the whole of Canada, then, I say, the Lord help the country. The hon. Peter Smith, the great financier, of Ontario, in one year, the first year of his record, floated upwards of $70,000,000 worth of bonds in the name of the province. Think of it, Mr. Speaker. Seventy million dollars' worth of bonds in one year, a sum that ran the whole Dominion of Canada and more than ran it, when I first came into this House not so many years ago. And yet my Farmer friend has the temerity to talk about reckless extravagance! I hope he will send a wire to the Hon. Peter Smith, the Provincial Treasurer of Ontario, calling the attention of that gentleman to his denunciation in this House of reckless expenditures and unwarranted extravagance. Talk about road expenditures! Ask my friend from Hamilton and my friend from Wentworth; they can tell you something about road expenditures, and they have not got any kind of roads yet. Talk about reckless expenditure! Well, there is a guess coming to my hon. friend if he thinks that this country will save much by putting in an aggregation like that which we have in Toronto, which is the most reckless that the province has ever had, by all odds. There is no doubt about that fact, and if the hon. gentleman does not believe it he can come up and look at the Government there. I tell you, Sir, we were caught napping. The expenditure there is the most reckless that the province has ever seen. They imposed new taxation, selecting five different ways. Four of them applied entirely to the cities and the fifth applied partly to the cities and partly to the country. That is the class of taxation they put on. So that if this is an example of what our good friends will give us when they get into power, I think we have gone far enough in the direction of putting our Farmer friends into governments in Canada.

My hon. friend from Marquette says that the cream separator business has been a great success in Canada. Now, what cream separator does my hon. friend buy for his organization? If my information is correct he buys American cream separators, notwithstanding that he tells us the Canadian business was a great success under free trade. I am told—I may be wrong, but that is my information—that his organization is buying separators made in Buffalo. Those hon. gentlemen tell us that barbed wire, which was put on the free list, has also shown its ability to live. Well, I do not know where there is a barbed wire factory operating in Canada to-day. During the war, and practically at the very outset of the war, tens of thousands of tons of barbed wire were wanted for wire entanglements at the front, but we had not a factory in Canada, although, before this article was put upon the free list, there were twenty or thirty factories in this country devoting their attention largely to the barbed wire industry. But the whole industry was wiped out by the placing of this article on the free list, and that is what will happen to other industries if you put their manufactures on the free list. If these industries are ruined in this way the workingmen, who earn their bread by the sweat of their brow in the factories of the Dominion, will have to find homes elsewhere. Surely, in view of this, it will be admitted that the policy

which is proposed in this Budget, of moderate protection, is one of the best that can operate in Canada.

Now, I had not intended taking up so much time, but it was my wish to put on Hansard a few facts, with regard to the implement business, as prepared by the Massey-Harris Company and signed by Mr. Thomas Findlay, its president. He gives some interesting facts in a pronouncement submitted to the Finance Department. He outlines the history of the business from the year 1883 and shows that people can buy implements as cheaply in Canada as practically in any other country in the world; and the statement which is freely and often made that implements can be bought in all foreign countries cheaper than at home he proves to be entirely fallacious. He gives here the proof in regard to that and also deals with the statements made by my hon. friend from Victoria and Carleton (Mr. Caldwell) with reference to what could be bought in Maine and in New Brunswick. He puts that hon. gentleman straight in a letter that was addressed to the department, showing that if the prices submitted by the hon. member had been taken advantage of and he had bought his implements in Maine instead of in New Brunswick he would have been money out of pocket. The hon. member is in the House and he probably remembers the figures he gave. The refutation is here in a letter which was sent to the Finance Department showing that my hon. friend, probably with no intentional unfairness, quoted the cash price in one instance and the credit price in the other. Well, Mr. Speaker, it is easy to show a difference if you do that. It costs something to give six months or a year's credit; and there is the interest.

Mr. CALDWELL: Will the hon. gentleman allow me to make a correction?

Mr. COCKSHUTT: I will not object to a short statement, but I do not want a speech.

Mr. CALDWELL: I have the Massey-Harris price list—

Mr. COCKSHUTT: I do not want a price list. If I misrepresent my hon. friend he can correct me.

Mr. CALDWELL: I have the Massey-Harris price list, and—

Mr. SPEAKER (Mr. Steele): Order.

Mr. CALDWELL: —the hon. member is not representing me fairly.

[Mr. Cockshutt.]

Mr. COCKSHUTT: This document has been carefully prepared. The firm went to the trouble of sending a special delegate to Maine to verify all the prices, to compare them with the prices in New Brunswick. When my hon. friend is on the platform down there he ought to be careful, because there may be some one watching him, and while he may get away with things on a platform, where there is no one to refute any wrong statement, nevertheless the facts can afterwards be obtained. And the fact is that, in this instance, he gave the cash price on the one hand and the credit price on the other.

Mr. CALDWELL: That is absolutely false; I gave the cash prices in both cases.

Mr. COCKSHUTT: I am telling the hon. gentleman what is in the letter that was carefully prepared, submitting all the facts. Now, Mr. Speaker, I think I have said enough to show that the policy that has been pursued in Canada with success for so many years in the development of our industries and in the building up of the country—not only the building up of our cities but the development of our natural resources—is one that is eminently in the interests of this country, and there is no doubt that Canada, in that policy is going in the right direction. In the matter of developing not only what may be called the city industries, but our natural resources—such as pulp, paper, minerals; all those things that go to build up a great industrial nation—Canada has embarked upon the right policy. I believe, Mr. Speaker, that if this policy is continued and pursued we will finally emerge from the difficulties and dangers in which the war has left us. Although matters do not look well at the present moment, although there are difficulties and dangers ahead, I believe they will be surmounted by united effort and by an honest determination on the part of our citizens to live and to let live. To raise any cry in the country to the jeopardy of a particular class is a dangerous policy. You may succeed in pulling down, but you will not succeed in building up by any such policy. Therefore I beseech hon. gentlemen on both sides that we should devote ourselves unitedly to the building up of all the industries of Canada, both urban and rural, and that as one united people we go on with a determined, honest effort to make the best of the grand heritage with which Providence has blessed us.

Mr. FREDERICK FORSYTH PARDEE (West Lambton): I entirely agree with the sentiments expressed in his closing remarks by the hon. gentleman who has just taken his seat. We ought all to be united, and we ought all to follow the purpose that will tend to the building up of Canada. The question is, what is the best course to pursue to attain that end? We have listened to the speech of the hon. member for Brantford (Mr. Cockshutt). He is still a high protectionist, and he has expressed again this afternoon the views which he has uttered in this House and in the country session after session, and year after year. I have no doubt the hon. gentleman is absolutely sincere in his views but we on this side cannot see eye to eye with him, and it is for the people of Canada to decide which is the best policy to adopt. The Budget brought down by the Finance Minister may be satisfactory to hon. gentlemen opposite, but there is one thought that occurs to me, as it would accur to the ordinary individual: I cannot quite grasp the legerdemain of the book-keeping which declares that, although the expenditures exceed the revenues by $101,000,000, and that amount has been added to the national debt, therefore we still have a surplus. To the ordinary man such a proposition as that is a conundrum, and I do not believe the country will take very much stock in it.

Now as to the Budget, and the tariff proposals which accompany it, are concerned, I would point out first this fact: for a long time past this Government has maintained that there would be tariff revision; to that end a commission, headed by the Minister of Finance, has travelled from one end of Canada to the other, and I read the statement in one newspaper that evidence had been taken to the extent of two million words. We were told that the tariff would be revised and placed in such a condition as to satisfy the whole of the people of Canada. Following the tariff inquiry Parliament is called, the representatives of the people assemble, the Budget is delivered—and there is no general revision of the tariff such as we were led to believe would take place. What reason is given for this? That on account of some contemplated changes in the tariff of the United States it would not be well to make any change in our own tariff at the present time. Let us see how well that excuse pans out. There was an election in East Elgin on November 22, 1920. The Prime Minister visited that constituency and he said "Elect our candidate and we promise you that when the next session of Parliament comes there will be a revision of the tariff. We are now collecting the necessary information to that end. The Tariff Commission is now going from one end of the country to the other making an inquiry, and we will give you a tariff revision." Parliament met on February 14, last and in the speech from the Throne tariff revision was promised. However it has not taken place. Surely it cannot be argued that delay is due to the Fordney Bill, or the Young Bill. Because, at the very time the Prime Minister spoke, on the occasion alluded to, the terms of the Fordney Bill were known. Then what excuse or logical reason is there for the Government's failure to implement its promise and revise the tariff? The reason, to my mind, is to be found in this fact: The high protectionist friends of the Government descended in a flock upon them and said "Leave the tariff alone if you have the slightest regard for your life." The tariff has been practically left alone. In so far as regards any changes that have gone into effect, these changes mean more taxation and a further raising of the cost of the people's food. What do we find in the Government's Budget proposals? Taxation of the necessities of life; the duties on cocoa, chocolate, and so forth increased; increased taxation applied to arrowroot biscuits, an article that plays an important part in the diet of infants; and a further upward lift to sugars. The Minister of Finance may be proud of such tariff changes as these, but of the articles to which I have alluded there is not one that is not an actual necessity of life, or that does not form part of the ordinary everyday meal of the masses of people. On a former occasion I suggested to the Finance Minister the proper course for him to pursue. I shall not now repeat the views which I then expressed except to say this—If the Government desires to impose taxation let it place that taxation on luxuries, and reduce the imposts on the necessities of life to the greatest extent possible. We have in this country the most serious unrest that Canada has ever witnessed. Will that unrest be allayed by the imposition of further burdens upon the people? No; the right policy to pursue is to make that taxation as low as possible and to leave free of taxation as far as possible the necessities of life. Not very long ago a friend of mine, Mr. McKinnon —who I believe is President of the Manufacturers' Association—found fault with

certain of my remarks on the subject of high protection and in reference to my having said that he was "a Haman's gallows man" Mr. McKinnon declared that he did not think I knew what the expression meant. Well, I have not read the book of Esther of late, but my recollection of the Haman incident is this: that Haman was a man who erected a high gallows for the purpose of hanging a certain people and had all his arrangements completed, when suddenly it was found that Haman was not all that he appeared to be, and he was hanged on the very gallows that he had prepared for others. Now, may it not be that the Government, in still pursuing their tariff policy of higher taxation on the necessaries of life, will find themselves in a political sense, in the same plight as Haman, at the impending general election?

I am not going into an analogy on tariffs, but while listening the other day to my hon. friend from Fort William and Rainy River (Mr. Manion) I could not help thinking that of late there seems to have come over this House a tendency to depreciate Great Britain. We are told: Oh, no, you must not copy the fiscal policy of England, because she is becoming decadent. Let me say, Mr. Speaker, that any country that could have done what Great Britain did during the war—in the field, in financing so many of her Allies, in transporting a large proportion of the United States soldiers across the Atlantic, and in furnishing munitions and equipment, and that to-day is able to reduce her national debt by $200,000,000, is not very decadent. To say the least, we need not be ashamed of her being at the head of our Confederation, so to speak. To my mind she has shown that she is absolutely the leading country in the world. Apparently the fiscal arrangements of Great Britain are satisfactory to her people, and I for one do not think that it comes with any very good grace from hon. members to decry Great Britain and, in effect, to say to her people: You do not know what you are doing with your economic system; you ought to do thus and so because we in Canada think you should. It appears to me that in our present position we have ample to occupy our time in looking after our own business without bothering the people of our great Mother Country, and I think that if we stick to a purely Canadian platform we will be fulfilling the duty for which we were sent here by our constituents.

The trouble with Canada, so far as I can make out, is that she needs to extend her foreign trade. If we would build up our manufacturing and farming interests we must find them more markets for the sale of their products. In this connection I would direct attention to the flourish of trumpets with which my hon. friend the Minister of Marine and Fisheries (Mr. Ballantyne) brought down his statement of operations of his mercantile marine. But it seems to me that it would have been well had the Minister of Finance taken the Minister of Marine and Fisheries gently aside and said to him: You have already spent millions and are to-day proposing to spend more millions on your mercantile marine; but in our present financial condition with our per capita debt almost $300, this is not the time to spend more money on a doubtful venture, and you had better cut your vote in two. Had that been done the money so saved could have been devoted to extending our foreign trade and letting the world know that Canada was on the map and ready with the goods and willing to trade. It has been predicted, and I am sorry to say that I believe the prediction will come true, that between now and another year we will have this mercantile marine, this creation of the Minister of Marine and Fisheries, a white elephant on the hands of the people, and he will have to sell the ships for a quarter of what he paid for them. What is the good of repeating the argument? In all the ports of the world you have bottom after bottom absolutely idle. I saw a statement the other day that although these ships of our mercantile marine cost between one and two hundred dollars a ton, there are ships lying in the Clyde to-day which would answer our purposes and which could be bought for $25 a ton. That statement was made by one of the very best informed shipping men in the Dominion after a recent trip to England; I refer to Mr. James Playfair, whom, no doubt, the minister knows. If freights are going to be hard to get, and unremunerative when you do get them, would not our money have been far better spent in the way I have suggested than in building more ships to rust at their berths? It appears to me that had proper allowance been made for depreciation, and so forth, the Minister of Marine would have had no surplus to show on the past year's operations of his mercantile marine; and it is pretty certain that even his present method of book-keeping will not enable him to disguise the deficit next

year, which will likely run into many more millions of dollars.

Taking into consideration the deficit on our mercantile marine and also the huge deficit on our railway operations, where are the people of Canada to get off at? How are we going to meet these enormous liabilities? This year our railway deficit is $69,000,000, and next year it is prophesied that it will be increased to $168,000,000. If this Government keeps on with its extravagant waste of the moneys of our people, numbering scarcely 9,000,000, what position shall we be landed in? Have the Government curtailed their extravagance? They have not. As the hon. member for Marquette said to-day, the extravagance still goes on, the money flows like water, and no heed is taken of the present or the future.

In so far as our railways are concerned we have adopted the principle of public ownership. I do not say that the Government did not have to take the railways over, but now that they have got those railways, I say frankly that I have yet to be convinced that government ownership is the proper thing. But if it is to be made a success two factors are essential; in the first place, there must be complete elimination of even a colourable resemblance of the interests that were formally associated with the railways which have now become part of our national system. I have great respect for Mr. D. B. Hanna, and in making these remarks I do not desire to reflect upon him; I think he is a perfectly honourable and a perfectly just man. But, Sir, Mr. Hanna is unfortunate. There is no question about the fact that among the people of the country generally —among Liberals, Conservatives and farmers alike—there is an absolute distrust of Mackenzie and Mann. The people feel that the country was bled, not for the purposes of the Canadian Northern but for the benefit of subsidiary enterprises, thus bringing gain to the pockets of these two men. If therefore, the confidence of the people is to be regained, everything coloured with Mackenzie and Mann must be absolutely taken out of the management of the Government railways. There are rumours abroad to-day—whether or not they are true I do not know—that Sir William Mackenzie is still exceedingly active and exceedingly close to the management of the national railways so far as the Canadian Northern portion of it is concerned. Is it possible that Sir William, with his boundless ambition and with his control of millions on the part of himself and his friends, is to-day angling for the ownership of the Canadian National railways? If anythink like that should happen, I have only to say that it would be a great calamity for the people. Therefore I submit that the first thing to do is to remove all traces of Mackenzie and Mann from the present management of the Canadian National railways.

The next step I deem to be necessary is this: There are many advocates of public ownership in Canada. The principle may be right, and it may be wrong; I have yet to be convinced. But if you are to have public ownership of any enterprise you must have at the head of the management, or included in the board of management, persons who believe in the principle of public ownership. The Government should, therefore at the earliest possible moment, in the reorganization of the management of these public roads, put at the head of that management or include in it men who have the utmost faith in public ownership and are in sympathy with it. If you do not do so, if you have on the board of management men who are entirely out of sympathy with the principle of public ownership, these men are very human, and the best efforts may not be put forth.

Coming to the speech delivered by the right hon. Prime Minister (Mr. Meighen) in this House the other day, I would say that the keynote of it—to be candid, the only note in the speech—was a manifestation of curiosity to know something about hon. gentlemen on this side of the House. The right hon. gentleman said that there was no Liberal party, and the hon. Minister of Militia (Mr. Guthrie) has said: So far as the Liberal party is concerned, we have them all; you have only a remnant. The right hon. gentleman in his speech the other day went from one subject to the other but he always came back to the same theme, "Oh tell me; for heaven's sake tell me, where are the Liberal party? Where are the Farmers' party? What are you going to do? Where do you stand? Please tell me so that I may know." It was like the man who had committed a murder and who had succeeded more or less in putting the thought of it from his mind; but just as he would be feeling that he had everything covered up and that everything was all right, the head of the poor murdered man would pop up and scare him to death. Time and again during the course of my right hon. friend's speech—in the middle, at the end, at the

three-quarter pole—he repeated: "Where are the Liberals? Where are the Farmers? What are they going to do?" Well, all I have to say to the right hon. gentleman is this: The Liberals are here; they are quite content, happy, and waiting. The farmers are there, and none of them look to me like a "dilapidated annex." They all look strong; they all look healthy; they are there, content and also waiting. The Prime Minister says there is no Liberal party. He would give us to believe that he has nothing to fear; that the good old Tory party is still uppermost in Canada; that the old flag is still waving. Well, in order to gratify his overweening curiosity I would say to him that there is only one way to get an answer to all this questioning: appeal to the people and let them say. The people do not often go wrong. They are sane, the people of Canada; they know their way about pretty well. They have set ideas, and when they get an idea into their head they generally see that it is carried out. I strongly recommend to the Prime Minister, therefore, that he dissolve the House, go to the country, and say to the people: "I am not sure where these fellows opposite stand, and I want to know; the only way I can possibly know is through your verdict." Let the Government go ahead and try it. It is quite simple.

Mr. MEIGHEN: How would that show where they stand?

Mr. PARDEE: Because the Government would be beaten and this side would be returned to power.

There is nothing in the Budget, Mr. Speaker, having in view a reduction in the cost of living, but there is much in it which will tend to increase the taxation. I propose to vote for the amendment because I think it will help to remedy that state of affairs. Just here, Sir, may I be permitted to make a digression? In 1896 Sir Wilfrid Laurier formed a Cabinet. It was referred to as the "Cabinet of all the talents"; it was a galaxy, Sir, of clever men—of men who had the interests of this country at heart, men of foresight, men who had a proper conception of the needs of this country. In every way it came up to the expectations of the people as well as the expectations of the great Leader who formed it. In this House and in this present Canadian Parliament, we have but one of those men left. I know I voice the sentiment of every man on this side of the House, and I am sure I voice the sentiment of every man on either side and especially the sentiment of the people of the Dominion of Canada, when I say that we all hope and pray that long may he (Mr. Fielding) be spared with his wise counsel, with his keen insight into the needs of the people, to help to guide and shape the destinies of this great Dominion of ours.

Now in closing: Though neither a prophet, nor the son of a prophet, I make this prophecy. Whether an election comes soon or late, an election must come, and the opinion of the people of the Dominion of Canada must be had; and my firm belief is that when that time comes, we shall have, as Minister of Finance in a Liberal Government, the man who brought down the tariff of 1897 and who made this country prosperous and happy, and that under his wise guidance a tariff will be so framed as to meet the needs of all the people of the Dominion. I believe that that will come about, and that he will be the man under whom the economic policies of the Dominion of Canada will be carried out. Let me say this to the Minister of Finance (Sir Henry Drayton), that then not only the sun, but the moon and the stars, will shine; not only the rivers, but all the waters will sparkle; and the people of this country will be brought back to an era of prosperity that they have not known for some time.

At Six o'clock, the House took recess.

After Recess

The House resumed at Eight o'clock.

Mr. JOHN HAROLD (Brant): Mr. Speaker, in opening my remarks I desire in the first instance to commend the Finance Minister (Sir Henry Drayton) and the Government for the way in which they have handled the present serious situation in our country. I believe that the wisdom of their policy will become more and more evident to the people of Canada as time goes on.

We are confronted to-day with a number of very serious problems. We have a business depression, and almost unprecedented unemployment throughout the country. The outlook for the sale of our surplus farm products is very unpromising; the revenues of the country are on the decline; our obligations are very great, and I believe, may become greater; our railway rates are too high, and our Government railway lines are losing money. All these things were inevitable after the Great War, with its inflation, and the deflation which had to follow. Canada so far has

weathered the storm and in my opinion is giving every promise of establishing her business and finance on a sound basis. We in this country have every reason to be thankful that, considering all we had to go through, we are in such a good position I can recall no other country in the world that can be regarded as being in as good a position as Canada to-day.

The manufacturing industries of our country are under attack at the present time, and those who are engaged in them feel that it is necessary that they should justify their existence. In relation to all the problems which I have just mentioned, I would like to say that I believe that unless the manufacturing industries of this country are properly handled, all these problems will become intensified. In a crisis such as we are facing to-day, when a great issue is raised, it becomes imperative that we should face it frankly and leave no doubt as to where we stand with regard to it. A great issue has been raised; it is an old one, it is true, but what has happened in recent years has made it stand out more prominently than at any time in the past, and the action that we may take as a country to-day is going to be of greater importance to the interest and welfare to the people of Canada than any similar action we might have taken in the past.

It is my intention, Mr. Speaker, to try and make my position perfectly clear upon the issue of protection or free trade, because after all it seems to me that we can take only one of two positions. A man may in his belief in free trade as the proper policy for this country adopt an intermediate course, but by so doing he will definitely align himself as one who proposes to advance towards free trade at the earliest possible moment, and he also must take the ground that this country made a mistake when it ever departed from the policy of free trade. So far as I am concerned, after considerable experience of the tariff and its effects, and after having given some thought to the question, I have come to the conclusion that this country took the only course that it was proper for it to take when it decided to adopt the principle of protection in its fiscal legislation. On that platform I am prepared to stand, as well as behind the policy outlined by the Prime Minister when he spoke to the House a few days ago.

In my opinion we should make some departure from the way in which we now deal with the tariff problems of this country. I believe that the people of this country whose business it is to know about the tariff and its effects upon them should be put in a position where they may better understand the value of the tariff and of protection, where they may understand the burdens that they may carry temporarily or permanently, in order that this policy may be carried out in the interests of the people of Canada as a whole. In order to do this, I feel that our machinery or organization is not fully equipped for handling tariff questions, and the relations of the tariff to the people of Canada and of other countries. If a conference were called—and such a thing might not be a bad idea—comprising representatives of labour, of the manufacturers, the merchants, the railroads and the producing industries such as mining, lumber, etc., together with representatives of the consuming public, they would not discuss the question as we deal with it on the floor of the House. I believe they would try to co-operate and find out what were really the facts, what was the best policy, and how it would affect the various interests involved. Such a conference, in my opinion, would not disperse before unanimously demanding that the Government should establish a tariff board, or a board of experts similar to that in the United States. The member for Victoria and Carleton (Mr. Caldwell) made the statement in the House that the Manufacturers' Association were asking for such a board with powers practically to usurp those of the Government. Such a request was never made by the Manufacturers' Association. I have their resolution here, although I do not propose to read it; but what they did ask for was that a board be appointed that would give information and advice and that would submit all the facts it might gather with regard to the tariff and its relations to the people. We must have a railway board to deal with railway rates, and that is not so complicated or important a matter as the tariff is to this country. Now the Manufacturers' Association, in asking for this board, gives us evidence that they do not desire to conceal the facts with regard to the subject. They desire the facts to be known, and they are prepared to justify their position. They have such faith in their position that they feel it would commend itself to the people of Canada as being one that could be sustained. Hundreds of labour organizations have also passed resolutions requesting that such a board be formed. I might

say, for the information of the hon. member for Victoria and Carleton, that in the United States, where the question was first mooted, it was the farmers' organization which was most insistent that such a board should be established, and since it has been formed the work it has done for the country has been so valuable that there has been no thought, on the part of any party, of going back to the old system.

During the months of the fall, representatives of the Government travelled through the country gathering information on the tariff, and I am told that, in bulk, the pages containing the evidence taken are about three feet thick. I believe it would be quite impossible to-day to use that evidence to any great extent because much of it would be out of date. Now, in making this suggestion, I do not reflect in any degree whatever upon the Government, because some time ago a former government, of which several hon. gentlemen at present occupying seats on the Treasury benches were members, endeavoured to bring about such a reform. All I can say is that if they introduce it I cannot see how it could have anything but the heartiest support of members of the House, and I believe it would do a very great deal towards removing the misunderstanding with regard to the effect of our laws upon the people. There is a great fear in minds of many people that at present a few persons sit down in a room and try to decide this question without sufficient facts and an adequate knowledge of the whole situation, and that they are influenced in their decisions by political or other interests. That may or may not be so; we do not know; we are all human. But the tariff is the business of the public, and I feel that the door should be open and that all the facts should be laid before the people. Then we should be sure that whatever action was taken would have the support of the people, and its permanency would contribute greatly to the prosperity of the country.

Now to come to the question of protection. The first thing we must fix in our minds is what is best for the welfare of the country. It is in the interest of no particular class and of no particular province; it is a question of protecting our own nation. Are we not going to use any legitimate weapon to defend ourselves in a world in which practically every other country—I would say every other country—exerts what powers it has to defend and develop itself? Great Britain has her own way of protecting herself, and in her commercial dealings she adopts the same principle as any other country; that is to say, she does that which she considers best for herself. If I believed in free trade I would look upon this as a country that was to be made free for any one to come into it and use its resources in any way he saw fit so long as he did what was legal; and it would seem to me that the logical conclusion, from this statement, would be that there should be the same freedom with regard to immigration, and that we should permit the free entry of any person who desired to come to our shores. But we do not believe in that principle, and I do not see how it is possible for any one to contend that free trade is really a practical question in Canada to-day. If we believe in protection, therefore, the question is not whether it is high, or low, or moderate; it is a principle we apply as a physician would give treatment to a patient. It may be that at times high protection, like strong medicine, is the best thing to administer; but no one contends that it should be habitual. I think that it is best in this country, generally speaking, that we should have a medium or moderate protection; but the defenders of high protection can cite many instances of the success of that policy, particularly in the United States, where it has achieved such splendid results in building up that great country.

Now, Mr. Speaker, I have tried to follow the debate rather closely, and to pick out some of the points that I felt I was in a position to give special attention to, and in bringing these forward I do not wish it to appear in any way that I think any hon. member is endeavouring to mislead the House. What I do know is, that there is a very great misunderstanding with regard to this whole question; and I do feel that the Government took the right and proper stand when it decided that it was not in the interest of this country that an election should be brought on during the abnormal times that have existed up to the present. I would use as an illustration this fact—that up to a very short time ago, the business interests of this country were in the position where it could be said that they had reaped very large profits. During the time of inflation large paper profits, or book profits, were made; but during the past few months a large part of these profits, and in some instances all the accu-

mulation of the years of the war, have been swept away. Not only that, but many of these companies have paid heavy taxation to the Government and to-day owe the Government amounts of money on which they are paying interest, and they are unable, with their working capital, to continue the operation of their plants. It would not have been fair to the people of this country to have brought on an election at such a time as that; it would be like trying a prisoner without giving him an opportunity to properly place the evidence before an unprejudiced jury. What have we now? We see the other side, and it was only due to the people that this Government should have held off an election until they could see the other side of the question. Not only is the situation as I have stated but for some years, upon a thousand platforms in this country, the position of the great industries of Canada have been grossly misrepresented. By so stating, I do not mean that the misrepresentation has been intentional; it has been through ignorance and a lack of knowledge of the situation. The other evening the member for Qu'Appelle (Mr. Thomson) made this astounding statement:

> I say that under the present tariff we shall be paying to the manufacturers of Canada a bonus equal to $500,000,000 a year.

Mr. Speaker, I have tried to find out what the manufacturers' total profits are in Canada in a normal year. I have tried to arrive at it from different angles. The Census Bureau purposely covers that up because they have not the right to bring out those facts; but at least we can find out very easily by inquiry there that the manufacturers cannot make $500,000,000 a year. However, there was another way I tried to ascertain the facts, and that was from the taxation which is paid. We have a business profits tax and that tax has yielded about $40,000,000 a year. But all of that taxation is not on the manufacturing industries—all the great jobbing houses, and all the great retail stores—some of them like the T. Eaton Company and many other large institutions scattered through the length and breadth of the country—also pay that tax. In order to be very generous in the figures that I am using I therefore place the amount that the manufacturers might have paid at $34,000,000. In addition, we have the income tax on those corporations that would come under the business profits tax, that totals $13,400,000 but I would reduce that down to $8,000,000, and it yields a grand total of $42,000,000. Now when you consider that the minimum tax was 10 per cent, and a great many returns it was 25, 50 and 75 per cent, you will see how absurd is the statement, from that standpoint, that the manufactures can be presented with $500,000,000 yearly. My estimate is that the profits on three billion dollars of manufactures would run about $180,000,000, taking such favourable times as we have during the past couple of years, or an average of about 6 per cent net profit on the turn over.

An hon. MEMBER: It is not very much.

Mr. HAROLD: Perhaps not, but there is many a manufacturer who would be very thankful if he were assured that amount, and during this year there will be very few that will enjoy any such profit.

The member for Qu'Appelle in his figures overlooked several very important facts. First, he overlooked the duty on the equipment; next, the duty on the materials, or parts, that enter into the finished article; third, the tax on the companies' profits; fourth, the tax on the dividends. In his computation he also overlooked the fact that the price is not fixed by the United States price plus the duty. In last year's customs returns I find that the importation of machines for manufacturers amounted to over $33,000,000 on which a duty of $8,336,000 was paid; and in looking through the many items in the report of the Customs Department it will be found that probably the largest amount of duties are drawn direct from the manufacturers for their partly finished goods or raw materials. For example on the item of steel the duties paid amounted to $5,623,650; including on angles and parts $1,216,000; on rolled iron for making milling cutters $706,000; also tubing for boilers and beds $578,000; wire $430,000; and fuel $4,865,000. It will therefore be seen how absurd it is for a man to charge a manufacturer with having put in his pocket all the amount of the duty that the schedule calls for on his goods. As a matter of fact he has not that protection. In a great many instances he has not one-half of it, because you must make due allowance for the duty he has to pay on his imported material. Now not only is that a fact, but the manufacturer also reduces the price to a point where internal competition compels him to go; and in all the experience that I have had in any businesses that I am connected with—and I

am interested in several companies and know the existing conditions—I do not know of any case in twenty years where the price of the article sold in Canada was regulated by the price in the United States plus the duty. Protection does not make a contribution to a manufacturer any more than it makes a contribution to the employees who work for that industry. It simply makes it possible for the employees to secure work at fair wages, and for the capitalist to employ his capital at a reasonable rate, or otherwise competition will soon bring it down to the point where it is reasonable. There may be isolated instances of abuse, and it is to reach them that we should have a board of inquiry functioning. It has been my opinion that if this House had appointed a board to deal with the tariff and see that it was not abused, instead of appointing the Board of Commerce, we would have made much better progress.

Another thing overlooked was the tax upon profits. In fact, the hon. member for Qu'Appelle (Mr. Thomson) evidently forgot that whilst the business profits tax has been repealed the income tax on corporation profits has not, and that if a company makes a profit of only one per cent on its capital it has to pay ten per cent of that to the Government, less an exemption of $2,000. If the company makes a profit of 10 per cent or 20 per cent the rate is the same. This I think should be amended and a graduated scale should be adopted. There are many companies to-day that will feel that tax very severely, but no complaints have been heard from them.

We will suppose that one man owns a company on the operations of which he makes $50,000 profit. His exemption of $2,000 leaves $48,000 subject to the ten per cent tax, which, plus five per cent supertax, represents a total taxation of $5,040. If he takes that profit out of his business he is taxed again to the extent of $5,050 by the supertax, or $10,090 altogether. And in speaking of the profits we must always remember that it is not the gross profits, it is the actual amount that in the end is left with the owner of the business. The manufacturer is also used as the medium for the collection of this sales tax to a very large extent. He has to pay one and a half per cent on his materials, and if he has sold his goods ahead he has to take another half a cent off his margin in that respect. He has also to collect the sales tax of one and a half per cent on goods sold to jobbers and of three per cent if sold to retailers. When we look over the list of taxes collected from our industries, does it not appear that one should not be too hasty in getting up in this House and saying: We have adopted a platform of free trade in the implements of production? I think it is a mistake for any political party to put itself on record to do anything whatever to this tariff until that party has had an opportunity of investigating its operation and giving the people concerned an opportunity of defending themselves. That is one serious objection I have to the platform of the official Opposition.

Another statement made by the hon. member for Mackenzie was as follows:

> I find that our customs tariff taxation per capita last year was $22.55, whereas the United States tariff taxation per capita was $3.15.

Then he works it out and continues:

> It should also be remembered that to that taxation we are adding a sales tax which will represent a total payment in the case of the average Canadian family of $147.75.

That seems to me a most illogical position to take, because they have claimed no matter whether they can prove it or not, that the rate of duty on goods made in Canada is the amount taken out of the consumer in Canada, even though a manufacturer may sell his goods here as cheap as on the other side; but in the statement referred to they take the amount paid at the frontier as the basis for taxation. It is the high tariff in the United States that keeps out imports and therefore the comparative figures are not such as to permit us to arrive at any conclusion. Then the "average family" illustration is not a fair way of arriving at the expenses of an ordinary family. Why, all one has to do is to read over the list of taxes that were collected through the customs to find that the average family is interested in very little of the articles mentioned in the returns. Our legislation has been directed towards taking the burden off the average family. Take only three items—automobiles, engines, and boilers, and machines, on which customs tax was paid to the extent of $22,500,000. How ridiculous it is to assert that a workingman's family is paying $147 a year in tariff taxation. Any one could take the articles they buy and easily prove that the tariff tax paid is a very small amount indeed.

My good friend from Mackenzie also made this further statement:

> We, on the other hand, claim that while the Government receives $1 from the customs revenue tax, our good friends, the manufacturers,

receive $3. If this is not correct, I am sure my good friends sitting opposite will show me that it is not so.

The arguments I have already advanced should make it clear to every hon. member that that could not possibly be so. He would say that we are presenting the manufacturers with $495,000,000; but it is questionable if after their taxation is taken off they have a third of that in profits. These are very unfortunate statements, and I would ask my good friends to investigate a little more closely before they make such comments. What we want is not to throw dust in the eyes of the people; we want to try and take it out. And it does not seem to me that Parliament is the place where statements should be made that have not been very carefully weighed.

Now, Mr. Speaker, we have been told that in 1898 certain articles were put on the free list, and that the various industries concerned had been able to succeed notwithstanding the loss of protection. I have had a special opportunity of being in touch with some of those industries and I am going to deal with the binder twine situation. In 1898 we imported 2,405,000 pounds; in 1917, 66,000,000 pounds, or more than twenty-five times as much; but that is not an average year. However, I have a statement before me compiled a year ago from the latest returns I could get from the customs and the statistical branch, which shows that the amount of twine made in Canada for the years 1917 and 1918 was 59,000,000 pounds; we imported 115,000,000 pounds and deduct exported 19,000,000 pounds; and the total we used was 155,000,000 pounds.

Deducting from the amount of binder twine made in Canada during those years 59,000,000 pounds, the amount of exports, 19,000,000 pounds, we find that the amount of Canadian-made binder twine used in Canada was 40,000,000 pounds, or only 26 per cent of the total. Now, the member for Qu'Appelle suggested that industries should be encouraged that could work on a 10 per cent protection. Well, all that is asked by the company referred to to-day, the Brantford Cordage Company, is 5 per cent, and they say that the benefits that would accrue to the country would be very great. The extra freight resulting in shipments to the West would amount to over $700,000, and that would go to the benefit of our railways. The importation of the raw material by the west coast from the Philippine Islands would yield freights amounting to $212,500, or a total of $912,500. I give these figures also in order to show the extent to which the protection of the industries of this country has a bearing upon the railway situation. I would place myself on record as saying that we would be wise in affording a small protection to binder twine and believe that if a board or commission would make careful inquiry into the matter and examine the subject in all its bearings, they would recommend that that be done. Here is an item which I clipped out of a western paper last year; it is from Kelwood:

> There is a continued scarcity along the line of gasoline. Binder twine supplies seem hazardous at the present time and old stocks have been depleted by farmers buying in advance. There is a serious shortage of barbed wire.

Then it says:

> The district convention of the Grain Growers' Association will be held at Kelwood on July 10.

I hope that on that occasion this question was taken into serious consideration and that the grain growers there assembled considered whether it is advantageous that Canada's supply of binder twine should come almost entirely from the United States. They take their crop off first and if the necessary provision is not always made to supply Canada we are likely to go seriously short some day. The farmers' organization should take this matter up and try to help the binder twine interests to get reasonable protection, because thereby the interests of the farmers themselves will be protected.

With regard to barbed wire, in 1897, before the duty was taken off, we imported that commodity to the value of $80,467 while in 1920 we imported $2,056,000 worth. In 1918 we manufactured barbed wire only to the value of $300,000 for war purposes. That does not look as if the industry had been a success under free trade. With regard to cream separators, I should like to point out that the situation in this regard was a somewhat peculiar one, due to the fact than many of these cream separators were patented articles and thus had a market in Canada assured to them by agreements with the patentees. Many of the most prominent makes of cream separators have an exclusive sale in Canada, and there is no competition from the same machine on the part of any other country.

In conclusion, I should like to give some reasons why we desire that our industries shall be continued in a vigorous and

healthy state. We believe that the industries are essential to our welfare because of the diversified employment they give to our people, the large home market they create for our products and natural resources, and the extent to which they contribute to the strength and development of our railways. Our railways are the arteries, the veins and the capillaries which carry the life blood of commerce back and forth to every part of our Dominion—to the farm, the forest and the mine; and the industries keep alive and add increasing power to our banks and financial institutions. They also indirectly help the professional men and the merchants and affect directly or indirectly practically all other interests and activities of the country. The Government stands by this policy not with any desire to further special interests of the manufacturers, but with the laudable object of attaining the largest measure of unity, prosperity and national upbuilding.

Mr. A. B. McCOIG (Kent): Mr. Speaker, I wish in the first place to congratulate the hon. member for Brant (Mr. Harold) upon his very great effort as a former Liberal to justify his position in remaining as a supporter of the present Administration. I wish also to direct attention to the fact that of the seven important speeches delivered by members supporting the Government five were delivered by former Liberals and supporters of the great Liberal party from 1896 to 1911, when it administered the country's affairs so satisfactorily that in 1911, the present Prime Minister (Mr. Meighen) and the Minister of Trade and Commerce (Sir George Foster) could only say throughout the length and breadth of Canada: "Let well enough alone." It looks as if the present Administration is trying to commercialize these five hon. gentlemen, trying to send out word to the different parts of the country that on the Government benches there are five outstanding figures, gentlemen who assisted in carrying on the affairs of Canada when every person was so well pleased with the conduct of the Government that they cried: Let well enough alone; take no chances of doing anything to bring about better times and to increase prosperity throughout the country.

Mr. Speaker, contrast the message to which I have just referred with that handed out by the Minister of Finance (Sir Henry Drayton) the other day. Did he say: Let well enough alone? No, that was not his cry. These are his words:

[Mr. Harold.]

> Mr. Speaker, we in Canada have a great task before us. The world is sadly out of tune. May we help in restoring harmony? Trust and confidence are sadly lacking. Class interests are advanced with selfish insistence. Unemployment is with us. Faith in our fellow-men is weakened. Doubt of the future is often voiced. And what is the trouble?

What is the trouble, Mr. Speaker? I will endeavour to give you a few reasons for the trouble, after I read the following sentence which was quoted in part by the member for West Lambton (Mr. Pardee) this afternoon. The Minister of Finance said:

> The sun still shines—the rivers still sparkle—our lands are as great and fruitful as ever.

For these three great blessings mentioned by the minister we have to thank Providence, not the Government or the Minister of Finance.

"What is the trouble?" the Minister of Finance asks. All he has to do is to do as hon. gentlemen on this side have already called upon him to do. The people of Canada are so dissatisfied with the present Administration in their conduct of affairs of this country that they are bound to tell him what the trouble is, and, as the hon. member for Lambton West (Mr. Pardee) said this afternoon, let the Government appeal to the country and they will find out what the trouble is; they will have an answer, and without question they will have it in abundance.

As regards the present Budget, this is what you will find the people in the different cities and towns and in the country districts saying when they are asked if there is anything wrong with the tax which the Government has placed in this Budget of $10 a case on spirits. They say that while the referendum was held in Ontario on April 18, the day that importation into the province was prohibited was May 1, so that some days elapsed allowing the richer people, the men with plenty of money to fill their cellars and attics with all the spirits they might require for future years. Thus, the Government gave the man of wealth an advantage over the man in humble circumstances who might want a case or a bottle of liquor for different reasons. The man in humble circumstances is the man who is now called upon to pay the tax on liquor which he requires for medicinal and other purposes. Yet the Minister of Finance asks: "What is the trouble?"

Hon. gentlemen may laugh, but the people of the country do not consider this Budget any laughing matter. The necessaries of

life are being taxed by the present Budget. The Minister of Finance, in his address, stated that oatmeal and flour in packages under 48 pounds would be taxed. The man who has the means can purchase flour in 50 or 100-pound sacks or in barrels, and thus escape paying the tax; but the mechanic, who receives a weekly wage, hands his wages over to his wife on Saturday, and when she goes to the store to buy food, clothing and shoes, and to pay for her rent, light and heat, she is the one who has to pay the tax. She does not buy flour by the hundredweight, but she buys flour 12 or 25 pounds at a time. Is it not ridiculous on the part of the present Administration to say to that woman: "You will have to pay a tax on your flour if you buy it in less than 50 pound packages." Yet the minister asks: "What is the trouble?" The trouble is that the Government is not giving a square deal to the ordinary people of this country, but is giving an advantage to the wealthy classes.

Hon. gentlemen on this side of the House have drawn the attention of the Government to the fact that men on the mail and customs staffs, who are receiving small salaries ranging from only $900 to $1,000, are getting a cut of 25 per cent in their bonus, and yet the Prime Minister (Mr. Meighen) stands up in this House and defends the action of the Administration in that regard. Let me draw the attention of hon. members to the Esti-

9 p.m. mates which we have been passing from time to time. In every department you will find officials, who are drawing salaries ranging from $2,000 to $4,000 a year, receiving a handsome raise of from $100 to $300, and the man with the humble salary is receiving a 25 per cent cut in his bonus. Nevertheless, the Minister of Finance asks: What is the trouble? Let him go to towns and villages where the rural mail is delivered by men under contract at about $850 a year, out of which they have to keep a couple of horses. If these men have not a legal right, they have a moral right to be given an opportunity by this Government to get a living wage with which they may be able to look after their boys and girls and give them an education as any other parent would. But the Government hangs on to that paltry little contract and makes these men go through the storms of winter and heat of summer on a salary of $850 a year. If this Government was worthy of handling the affairs of this great country, the first thing it would do would be to say: "We will give to these men a bonus so that they may raise their families respectably and, perhaps, some of their sons may be outstanding men in the future in this great Dominion of Canada. Yet the Minister of Finance asks: "What is the trouble?"

This afternoon we heard from the hon. member for Marquette (Mr. Crerar) and the question was raised as to the difference between the price of hides and the price which the people of Canada have to pay for their footwear. Could anything be more ridiculous than the tremendous difference in price and the way in which the people of Canada are getting the worst of the deal in this respect? Can you blame the consumers of Canada for complaining when they see by the press that hog raisers in this country are getting $9.50 per hundred pounds and when they go into the different butcher shops throughout Canada they find they are charged from 50 to 60 cents a pound for ham and bacon, the same old price that the people were being charged when hogs were selling at $25. Yet the Minister of Finance asks: "What is the trouble?" Beef is 10 cents per pound on foot and yet the same old price is being charged by the abattoirs for the goods that we receive from them. Yet my hon. friend wants to know what the trouble is. Farmers who produce tobacco are receiving seven or eight cents per pound for it today and yet users of tobacco are paying the same old price for the manufactured article.

The Prime Minister, when he addressed the House on this debate the other day referred in a rather deprecating manner to the question of cream separators. Let me say for the benefit of the Prime Minister and the hon. member for Brantford (Mr. Cockshutt) who spoke this afternoon that I drew the attention of this Parliament a number of years ago to the fact that cream separators were coming in free, and that as the hon. member for Brantford is well aware, when the Canadian manufacturers were getting out their price lists year after year, cream separators, on account of their being allowed into Canada free of duty, were the only articles on their lists that were not advanced, whereas, every other manufactured article that was protected, was advanced in price from 10 to 25 per cent. That is the point that we wanted to convey to the people of Canada and not the matter of what cream separators are selling at on the two sides of the international boundary. The Prime Minister referred in the most complimentary

terms to Mr. Finley of the Massey-Harris Company. When he was referring to Mr. Finley's statement with respect to the cost of cream separators, with the abundant knowledge that that gentleman has of the manufacture of agricultural implements in Canada, why did he not ask Mr. Finley of that great corporation why binders and other agricultural implements are 10 per cent higher in price this year than they were in 1920, in face of the fact that wages of the labouring men in those factories have been cut at least once or twice during the last six months? Let me give this illustration by way of comparison for the benefit of the hon. member for Brantford. If a man wants to buy a binder to-day the price is $300. If he wanted to buy a binder last year, the price was in the neighbourhood of $250.

If he was going to pay for the binder last year with the oats he raised, taking the average crop as fifty bushels to the acre, it would take the crop off five acres of land, at last year's price of $1 a bushel, to pay for the binder, whereas to pay for the binder this year, taking fifty bushels to the acre, at thirty cents a bushel, which is the price oats are now selling for, it would take the crop off 20 acres to pay for that binder at present prices. That means that four times the amount of crop has to be harvested to pay for the same implement, yet the hon. member for Brantford (Mr. Cockshutt) asks our Progressive friends, why they do not go into the manufacturing business. I say to the hon. member for Brantford: why do you not go into the farming business, if there is so much money in it?

I am glad to see the Minister of Militia in his seat. I wish to read him a short extract from his speech the other day:

> Now, Mr. Speaker, we are told, on the other hand, that there will be no more war, and the cry is in some quarters: Wipe out all military expenditure. That cry is popular, very popular among some elements in this and every other country. It is particularly pleasant to the ear of the Bolshevist, to the ear of the Red and to the crowd which gathers around the soap-box orator at the street corners in our big cities.

I wish to read another extract, which I have read on a previous occasion, to illustrate the point I am endeavouring to make. It is an extract from an article which was sent to the New York World by the present member for King's (Sir Robert Borden):

> I sympathise most deeply and earnestly with every reasonable proposal for the reduction of armaments. Untold sacrifices endured in the great war will have been wholly in vain if the nations are still to compete in a mad struggle for supremacy in the power of destruction. The economic folly of such a policy is too manifest to be gainsaid. Is there not a sorrowful and bitter protest from millions on the verge of starvation in Europe and which must ring in the ears of every thoughtful person.

Those are the words of the right hon. gentleman who at one time was Prime Minister of this country. I want to follow that up by referring to an article that appeared in the Toronto Globe of the very same date. It is a despatch from the city of Hamilton and is headed "Father is Sick, Kiddies Starve—Sad Case of Distress Found in a Home on Mount Hamilton." Here, right at our doors, we have a family on the verge of starvation, yet the Minister of Militia says that we have to spend millions more of the people's money to satisfy a few gentlemen in the department of which he is in charge. I say that the people of this country have no wish to rival any of the European countries in seeing how many millions of dollars they can spend on the militia. This is an agricultural country, a manufacturing country —not a military country. I want to quote a brief extract from a message that was sent to the soldiers of the Canadian Expeditionary Forces during the war, signed by the Minister of Militia:

> Canada has to supply herself and the Allies with food. Men will be retained to secure the necessary production.

I believe that those words of the Minister of Militia will be received with a great deal more satisfaction by the people of this country than the message he gave to the Canadian people the other night.

Hon. gentlemen on the other side,—particularly the hon. member for Dundas (Mr. Casselman), the other night,—have made the statement and disseminated it through the press that there had been no scandals in this country since the Conservative party came into power. When I heard the hon. member for Dundas make that statement I thought that though he may be up in years, he must be young in political experience, because many hon. members now in the House will remember the binocular scandal, and the drug scandal, for his connection with which one hon. gentleman opposite was read out of the party by the Prime Minister of the day. Surely no one who is a real Canadian has forgotten these scandals, and the Allison scandal, for they were, so to speak, the most scandalous scandals we ever had in this country. Hon. members sure have not forgotten the horse scandals, and particularly the hon. member

for Dundas, because I think it was the Conservative member for the county of Peel in the Provincial Legislature who was so anxious at that time to supply the demand for horses for army purposes that when he could not get horses of the desired colour, and when grey horses came along, he had them painted black so as to meet the military requirements. Surely hon. gentlemen will not forget the number of days we sat in the Public Accounts Committee listening to evidence with regard to horse scandals in the province of Nova Scotia, that little province that sends so many good men to Parliament, but which on that occasion must have slipped a cog. We all remember how thousands of dollars of the people's money were spent in purchasing horses that were only fit to be sold to fertilizer plants, or make mucilage to place on the Government stamps, for which there was a great demand at that time. The horse scandals in that province were so bad that the Prime Minister read out of the party the gentleman who then represented the county of King's, N.S. Yet, Mr. Speaker, we find that this gentleman, who was incapable of purchasing horses for the Government to mount our brave boys overseas in their fight with the Hun, was selected after showing his wonderful ability as a purchasing agent for horses to be the new Superintendent of Resources, for the Canadian National railways, in Chicago—one of the most important positions in connection with our great railway system, on which we had the enormous deficit last year of $70,000,000, which the people of this country have to put up. And my hon. friend the Minister of Finance asks what is the trouble? What is the trouble? Do you mean to say that if a man is not fit to represent a constituency in this Parliament he is able to represent the Government in one of the most important positions in connection with one of the greatest railway systems in the world? These are some of the things which are causing discontent amongst our people, and which are responsible for the demand that this Government appeal to the country so that the people may have an opportunity of expressing themselves on the question as to who shall administer the affairs of Canada.

There is another matter to which I wish to refer. The right hon. Minister of Trade and Commerce (Sir George Foster) the other day said that the duties on agricultural implements were lower to-day than they were when the Liberals were in power. Let me tell my hon. friend that the request for free tractors to assist in producing greater crops in this country was first made in this Parliament by hon. gentlemen on this side of the House, and it was turned down by the Government until public opinion became so strong in favour of that measure that the Government had to grant our request and allow farm tractors to come in free.

Another important matter which was brought to the attention of Parliament by this side of the House was the question of supplying tractor ditchers. The Government at first were loathe to take action in this matter, but when the demand from the Minister of Agriculture of every province became insistent they finally decided that it was in the interests of increased production to allow these machines, which were not manufactured in this country, to come in free of duty. But what was done? The limit was fixed at $3,000 at which they could come in free. These machines sold for $2,600 and $2,800, but the moment the price went beyond $3,000 the Government stopped their admission because they would not amend their legislation in keeping with the advanced prices of these tractor ditchers.

Now, Sir, what did the Government do during the by-election in the county of Bruce? The greatest argument they advanced was that they were looking after the interests of the farmers and were doing everything possible to further agriculture in this country. We have requested the expert of the Finance Department to increase the limit at which these tractors may come in free, and I was on the deputation with the hon. member for West Middlesex (Mr. Ross), which waited on the Minister of Agriculture and drew this matter forcibly to his attention, pointing out the importance and necessity of so amending the Act as to admit these tractor ditchers. To-day the tile factories are loaded up with tile, because they wanted to give employment to the labouring men in that industry and there is a great demand for tile drainage throughout Ontario. But the prices of these tractor ditchers are now prohibitory, as may be seen from the fact that only two of these machines were imported in 1920 and only one in 1921 from the Buckeye Tractor Company. These were both repaired machines, and were sold for less than $3,000. The importance of proper drainage is so great that the Provincial Government of Ontario, who were so greatly criticised to-day by the hon. member for Brantford (Mr. Cockshutt),

thought it proper to increase the loan, which they give to every farmer who wants to tile-drain his land, from $1,000 per hundred acres to $2,000. That legislation has gone into effect and the farmers availed themselves of this great privilege last year, obtaining the money necessary for this purpose, to be paid back in twenty years at 5½ per cent. This Government claim that they are doing everything possible to assist the producers of this country, but they pay little attention to the requirements of the farmers. Nor do they heed the requests that are made of them from time to time. In the face of these facts, Mr. Speaker, when we find in every city and town in this great Dominion hundreds of men out of employment, and, as I said a few moments ago, families in the city of Hamilton starving; when we find dissatisfaction rampant in every province of the Dominion; and when as the Minister of Finance (Sir Henry Drayton) himself states. There is nothing but trouble, I think the following lines might well be taken to heart by the Government, if they are capable of appreciating the gravity of the situation to-day:

For the debt we owe is a mighty one,
'Twill last for countless years,
For the boys who have helped to defeat the Hun
Can't be paid with cheers,
It's up to you to lend a hand
'Tis a duty none can shirk;
So wave your flags and start your bands
But get these boys to work.

Mr. PETER McGIBBON (Muskoka): We have all listened with a great deal of pleasure to the stump speech of the hon. member for Kent (Mr. McCoig). That hon. gentleman, like many others who have spoken in the debate on the other side of the House, has chosen rather to make a political speech than to endeavour to contribute in some way to the solution of the great problems laid before the country by the Minister of Finance (Sir Henry Drayton). Indeed, Sir, practically the whole burden of the song on the other side has been criticism of the Militia Department, the merchant marine and the dry dock at Victoria. That, practically speaking, has been the sole contribution of many hon. members opposite to the solution of the problems with which Canada is confronted to-day. The hon. member who has just taken his seat avoided, of course, any reference to protection as it applies to tobacco, just as the hon. member for West Lambton (Mr. Pardee) this afternoon, in that beautiful little speech of his which was as remarkable for its lack of facts as for its weakness of argument, avoided any criticism of protection of the industries in his constituency. The hon. member for Waterloo (Mr. Euler) skilfully skates around the question of protection as it affects the industries in his county; and a Farmer representative last night, we found asking for protection on potatoes and pulpwood. But the great problems that are before the country have been practically passed over.

Now, what do we find? The Minister of Finance has presented a statement of the business conditions in this country which is well worthy of the earnest consideration of every member of Parliament. I do not think I am saying anything out of the way when I assert that the minister's statement has been a surprise both to the Opposition and to a great many people in the country—a surprise to the Opposition, because they did not expect such a favourable statement of the finances of Canada to-day, a statement that has left them, so far as argument is concerned, utterly helpless in discussing the Budget as presented to the House. In the statement of revenue, for the past fiscal year, which has been laid before us, we find for excise $37,000,000. That has never been questioned by any man in this House. Hon. members have not suggested that it be either added to or subtracted from. And the revenue from the Post Office, amounting to $26,000,000, has met with the same approval. The business profits tax, $40,000,000, has not been adversely criticized, and the income tax of $46,500,000 has apparently suited every one in the House. Inland revenue, amounting to $79,000,000 odd, finds no objection in any quarter, nor have the other war taxes totalling $2,355,000. The only question in the whole category that has aroused any criticism is that relating to the customs revenue amounting to $163,000,000. And what have been the criticisms in that respect? Certainly no one has suggested that the revenue has been too small, and it has not been contended, either, that it is too large. It is true that statements have been made by the member for Mackenzie (Mr. Reid) and by the member for West Lambton this afternoon, to the effect that an undue burden was placed upon the poorer classes of the country. Well, that statement only exemplifies one thing, and that is that these gentlemen have not taken the trouble to acquire a true knowledge of the facts.

They have not had the inclination to get the facts and certainly do not know

them. Now, Mr. Speaker, if any man will take the trouble to go through the list of items—I placed them on Hansard last year—he will ascertain that over $100,000,000 of the $170,000,000 taken in at that time was paid practically on the articles which are only bought and consumed by the wealthier people of this country. I submit that when statements are made, such as were made by the hon. member for Mackenzie (Mr. Reid), that there was a tax of $110 on every family of five in this country it shows a deplorable lack of the actual conditions as they exist in regard to the revenue. We have had some criticisms too in regard to customs duties. I followed the member for Marquette (Mr. Crerar) very carefully this afternoon to find out what means of obtaining revenue he would suggest if the present method of customs duties from which we derive $165,000,000 were abolished, as my hon. friend has been advocating its abolition to a great degree. He has presented to the people of this country a number of very plausible suggestions. One was the imposition of a land tax, another direct taxation, and so on.

Mr. Speaker, I am quite certain that the people of Canada, for the time being at least, have had their fill of direct taxation. We gave them some of it last year in the form of a luxury tax, and any government that would again attempt to tax the people in that form would, in my opinion, be very unwise. Let us analyse the proposition for a moment and see what it would mean. It means this: If you are going to do away with that tax you must place taxation somewhere else, because there has been no suggestion here that any other sources of revenue than those which have been presented by the Finance Minister can be secured to carry on the affairs of the country. If you are going to raise the desired revenue by some other means what means are available? The imposition of a land tax was proposed for a while but that idea has long since been abandoned—at least I have not heard anything of it for the last twelve months. That proposition would mean a tax of $300 on every hundred-acre farm in this country. On the valuation it would mean a tax of 2½ per cent. It would mean about $225 on every $5,000 farm; and if it were a head tax it would represent something like $22 for every man, woman and child in Canada. I submit there is no reasonable way by which the revenue which we need can be collected so easily, and bear so lightly upon the people as by the present method. I make the assertion that this country to-day is carrying its great war debt as easily as any country in the world that was involved in the late war. It is true that we have a railroad problem, but for this I refuse to have the party on this side held responsible. When hon. members opposite first guaranteed the bonds of the Canadian Northern from Port Arthur east, they fastened, for all time to come, a railway problem upon this country as far as that road was concerned; and when they started in to build the Grand Trunk Pacific—fifty years before its time—they placed upon this country a debt and an obligation which is going to be a burden for many a day. We have been criticised by some hon. gentlemen opposite in reference to these obligations, but I am going to place those obligations where they rightly belong, and I say that those who were the means of creating them must assume the responsibility for them.

The problems before the country, as I see them, may be boiled down to two. One is that this Government has to carry on public affairs and secure enough money to pay our way as we go. The second is: what policy must be pursued in order to develop this nation in the northern part of the continent of America? As to the first, there is no means suggested whereby the amount of money we need can be so easily raised and so lightly carried by the people as by the present method. With regard to the other question, I submit that the people of the Dominion over forty years ago settled once and for all the policy that must be pursued by Canada as long as it is a nation. That policy is the policy of protection. It was inaugurated in the year 1878, and from that time onward has never been departed from. I look upon protection as nothing more or less than an instrument for the development of the natural resources of this country. Looking at the question from that standpoint I maintain that the policy was settled long ago—settled not only by Canada, but by the United States and almost every other country in the world—and that instrument for protection and for development is going to remain in existence as far as Canada is concerned.

I am sorry the hon. member for Red Deer (Mr. Clark) is not in his seat because he made some observations in his speech the other day that I would like to answer.

On that occasion he spoke about the trade of Britain increasing so rapidly. In spite of the fact that that trade has suffered a decline during the last month greater than did the trade of Canada, it is still enormous. But Mr. Speaker, he forgot to tell —or he did not tell if he knew—that the one great cause of that trade was that nearly all the assets of the other countries of Europe are at the present time—and have been since the war—hypothecated in the Bank of England. Our Canadian manufacturers know that. They know that when they tried to give lines of credit to certain countries in Europe they were prohibited from doing so by the fact that the securities of those countries were nearly all tied up in the Bank of England, and that institution insisted that the trade should go to English traders and English manufacturers. We must bear in mind the fact that when we talk about developing our export trade with European countries it is a question of finance; and I think every man in this House will agree that as far as finance is concerned there are no better or abler people on earth than the people of the British Isles. In this connection I would like to quote a statement made by right Hon. Mr. Runciman in January, 1916, when delivering his budget. He said:

> It will, in fact, be apparent to all close observers, that a country which fails to regulate and foster its industries in the national interest cannot, in the nature of things, long survive the rivalry of another country where the industries are so regulated and so fostered.

That is a statement by one of the leading men in the country which my hon. friend from Red Deer reveres so much. Let me now quote a statement by Abraham Lincoln. That great statesman on one occasion said:

> The tariff is a question of national housekeeping. It is to the Government what replenishing the meal tub is to the family.

I might also quote statements from some of my hon. friend's favourite authors, such as John Stuart Mill who says, speaking of infant industries:

> That a tax on infant industries for a time is the easiest way that a nation can carry them into development.

Now, Mr. Speaker, I want for a few moments— and only for a few moments, for I will be brief—to place before this House some ways in which this policy has operated not only in Canada but in the United States. I find from statistics compiled by the Manufacturers' Association that we have

$400,000,000 of United States capital invested in this country in 600 branch factories employing no less than 87,000 men. Does any hon. member think we would have got those industries here if it had not been for our protective tariff? We have in addition $2,000,000,000 of British capital, and we have all told 700,000 hands employed in our industries. They are paying out to our people no less than $550,000,000 in wages. I ask hon. members opposite if they think that is not worth something to Canada? I would also remind them that according to the statistics our field crops in 1920 were worth $1,455,000,000. How much of that huge amount was exported? Only $271,000,000 worth. Where is their great market? The hon. member for Marquette to-day wanted to know where the manufacturer was going to sell his goods. I say to him: If you wipe out your home market where would the Canadian farmer sell his products? These two industries must be developed side by side to the equal benefit of both. Last year the manufacturers of this country spent $31,000,000 in wages for manufacturing food products, and employed 38,000 persons.

In that connection I want to indicate along what lines I think this country should be developed. The hon. member for Marquette this afternoon laid great stress on the American market. Unquestionably that is a great market and we would like to get into it. But how did they create that market? Did they not create it in the indentical way that I am advocating to-night? Is not the home market created by means of a protective tariff, that being the instrument which developed that enormous home market of 111,000,000 people to-day? He finds fault because we cannot get in there. Is it not natural for them to keep their market for themselves? And is it not natural for us to follow in their footsteps and create a market here along the same lines, that is, a market that they cannot take from us, which is the market that in the end will be most beneficial to Canada? Why should we hesitate to do that? Does any man doubt the ability of Canadians to do it? Compare our record in the war—I mean in a business sense. Canada with one-fifteenth of the population of the United States did one-fifth as much business. Does that indicate that we are behind them in resources or resourcefulness in developing industry and trade? It is just the opposite. I could give figures showing the enormous increase

in our foreign trade, but I will not detain the House.

The hon. member for Victoria and Carleton (Mr. Caldwell) the other night stated that he wanted protection on potatoes and pulpwood. I would remind him that it is only about eleven or twelve years ago since the provinces of Ontario and Quebec forbade the export of pulpwood to the American Republic. What is the result? I can show it here in a very few figures. In 1890, for example, Canada's export of pulp and paper totalled $120. I repeat the figure —$120. Last year it totalled $160,000,000. That, I contend, is the direct result of protection of that industry. In 1919 that industry employed 26,765 hands. Was it not good business to place an embargo on the export of pulpwood? Have we not created an industry in this country that is worth having and will be worth having for many years to come?

My good friend from Fort William and Rainy River (Mr. Manion) the other night presented some very interesting figures in regard to the iron and steel industry, and he will pardon me, I am sure, if I supplement them a little because it is more or less essential to my argument that I should do so. The iron and steel industry of the United States had a very severe struggle in the early days. The first attempt to introduce bessemer steel was in Milwaukee and I am told it was a failure after hundreds of millions of dollars had been invested in the enterprise. The second works were started at Troy, and I am informed that the buildings were subsequently sold for as many thousand dollars as millions were put into them. The next was the Freedom iron works in Pennsylvania, which went bankrupt, next the Vulcan steel works were started at St. Louis and failed, and following them steel mills were established at Joliette, with the same result. That is the history of the attempt to establish the iron and steel industry in the United States without sufficient protection. Then the United States increased the protective duty and what happened? I do not think that I have as late figures as those presented by my hon. friend from Fort William and Rainy River, but mine are all pre-war figures, because I did not think it fair to take anything during and after the war. We are told, for example, —and I think my hon. friend's information is authoritative—that steel rails dropped from $170 to $27.50 a ton. But I am not concerned with that figure. I know it may be contended that the Bessemer steel rails were not as good as the iron rails, that they crystallized, and so on. The point is that in 1907 there was an output of 51,000,000 tons, 56,000 workmen were employed, and they were paid $31,500,000 in wages. Was that good business for the United States or was it not?

I might also cite the plate glass industry, whose history is more or less similar. The first attempt to establish the plate glass industry was in New Albany, Indiana, but after spending hundreds of thousands of dollars the firm went bankrupt. Next an attempt was made at Crystal City, Mexico, but it suffered the same fate. Another factory was started at Louisville, Kentucky, in 1872, and that also failed, as did a factory started at Jefferson, Indiana. Finally, sufficient protection was accorded the industry, and to-day it is one of the greatest in the United States; and incidentally the price of plate glass fell from $2.50 per square foot to 59 cents. And, Mr. Speaker, I would interject here that wherever you have a commodity controlled by an importer you always have the highest price because of lack of competition, for it is competition within your own country that brings down prices and gives you cheaper goods.

Then take the pineapple industry in the United States, the history of which will be of interest to our farmer friends. The industry is just developing, but before a duty was placed on pineapples only 100-000 crates were grown in the United States; in ten years that production has increased to over 1,000,000 crates. The same thing happened in respect to the wire nail industry. Prior to 1883 there was a tariff on wire nails of one cent a pound; they were selling at 7 and 8 cents a pound, and were practically all imported. In 1900 the duty was doubled, 5,000,000 kegs were made in the United States and the price dropped to 2 cents. The same happened in respect to sugar. When the Dingley tariff was passed in 1897 there were only six sugar factories in the United States, and the output was only 37,500 tons. In 1910 there were 65 factories and over 400,000 tons were produced annually; there was a fixed investment of $100,000,000 in the industry and $40,000,000 was paid out to the farmers and the labour employed in connection with it. I ask you, Mr. Speaker, if that is not the kind of industry that is worth something to a country? In ten years the United States sugar factories produced 24,245,000 tons of sugar and paid $121,000,000 in wages.

Practically the same thing happened in respect to the lemon industry in the United States: after the duty was put on, the output jumped from 30,000,000 to 133,000,000 pounds. In respect to tin plate the same development occurred. In 1897 there was hardly a kid glove made in the United States. In that year the duty was put on of $4 per dozen and the output grew from 5 per cent in 1897, to 90 per cent in 1910, the industry now employs 25,000 people, and the price of gloves fell from $2.50 and $3 to $1.50. Such is the history of a few of the leading industries of the United States; one industry after another has been scientifically developed until it has got on its feet. In those cases where the tariff was wiped away it was found that the industries could not get on their feet, subjected as they were to the competition of the world.

In order to follow up the line of my argument I wish to refer for a moment to the British Isles—not as suggested by the member for West Lambton (Mr. Pardee) this afternoon, in a disparaging way, but in order to compare the state of development, prosperity and wages in countries where industries are scientifically protected with similar conditions in countries where no such protection has been afforded. I wish the hon. member for Red Deer was in his seat because I have a couple of quotations from some of his favourite authors. One is Mr. John Bright, who said in 1886 that the one way by which free competition could be met and home industries preserved was by cheap labour. I would like to ask the hon. member for Red Deer what his opinion is with regard to that statement. In 1905 Mr. Asquith said: "The necessity for our prosperity is cheap labour." I do not know what other hon. members think, Mr. Speaker, but so far as I am concerned I disagree with both these statements. I say that times are always harder when goods are cheap, measured by the money standard, and times are always best when the value of commodities is based upon favourable labour conditions. I want to go further, Mr. Speaker, and give you some of the wages paid in England and the United States in 1910, for purposes of comparison:

	England.	United States.
Masons	$1.68	$4.40
Carpenters	1.60	2.88
Painters	1.44	2.80
Plumbers	1.60	3.52
Machinists	1.36	2.16
Hod carriers	1.04	2.32

Why this difference between the wages paid in the United States and those paid in Great Britain? The reason, I submit, is the basis of our economic condition; it is the basis of all our prosperity and of all our wealth. In this connection I have some further figures with regard to various industries in the United Kingdom and in the United States, taken from a work written by two Oxford graduates, both of them Englishmen, I think—certainly they were not Americans. This statement, which shows the wealth produced per man per year in each of the industries named in the respective countries, is as follows:

	United Kingdom	United States
Boot and shoe trade	£171	£516
Cocoa, chocolate, confectionery	296	662
Cutlery and tools	164	323
Clothing	158	484
Hats and caps	149	414
Hosiery	184	309
Leather	686	1054
Matches	223	625
Paper	330	705
Printing and publishing	396	572

Now, what does that signify? I have a long list before me which I could read, but the point I want to emphasize is that the amount of wealth produced per man per year on the American continent has been greater than that produced in Great Britain, and as a result, wages in the United States are greater and the employees there make more money. It is, then, the amount of wealth produced per man which is the basis of all our prosperity. That point, Mr. Speaker, is, I think, worth emphasizing.

I have here some further figures which go to substantiate my argument. The following statement of the number of tons of coal produced per annum per person employed in the countries named should be of interest:

	United Kingdom	United States	Australia	New Zealand	Canada
1886-90	312	400	333	359	341
1901-05	281	543	437	474	495
1910	257	618	449	478	453

The average value of coal per ton at the pit's mouth produced in the United Kingdom, United States, Australia and New Zealand for the years named was as follows:

	United Kingdom	United States	Australia	New Zealand
	s. d.	s. d.	s. d.	s. d.
1886	4 10	6 4¼	...	—
1890	8 3	5 2¾	8 6	11 0
1895	6 0½	4 9¼	6 4	11 1
1900	10 9¾	5 3¾	6 0	10 9
1905	6 11½	5 8	6 2	10 7
1910	8 2¼	5 10¼	7 6½	11 1¼

This bears out my statement that the amount of wealth produced per person is the real basis of prosperity. The point I want to make is this—and you can get the same figures in reference to Germany—the amount of wealth produced per person is greatest in the countries which protect themselves and their own industries.

I repeat, I am sorry the hon. member for Red Deer is not in his seat because I have some other figures that I should like to call to his attention, but it is not worth while putting them on Hansard. My point is that from the time Great Britain inaugurated free trade until the present time, her exports to protected countries have been diminishing year after year and her imports from the same countries have been increasing. We know that she had an adverse balance of trade, but there is more than that in the matter. If you would subtract from her adverse balance of trade, her trade with her colonies and countries without a protective tariff, you would find that the showing would be still worse. She made up her loss to protected countries by increasing her trade with her colonies and countries without a protective tariff. Let me carry the argument a little further. If all these countries protect themselves against her, it can be readily seen how Great Britain is going to be handicapped in trade, and I do not wonder that, at the present time, she is rapidly drifting towards protection. I have a great deal of admiration for the people of Great Britain; I think they are the best and most resourceful people on earth; I am not a prophet, but I do not think it will be many years before free trade in England will be a thing of the past. I think it was Chamberlain who said that "a nation that ties its hands, gets pretty well cuffed." The hon. member for Fort William and Rainy River (Mr. Manion) said the other night: "She loses her power of bargaining when she throws away the protective instrument that she has."

I have some facts regarding Great Britain's trade, navigation laws and so on, but I will not weary the House by presenting them. Before I close, I want to point out that even Great Britain developed her industrial conditions under protection. When she threw away protection in 1849, she was the most highly developed industrial country in the world, and, consequently, she was capable, not only of looking after herself, but of getting a great deal of the business of the world. If you analyse her statistics of trade following that date, you will find that when gold was found in California in 1850 or 1851, Great Britain secured a great deal of the business and her exports to the United States increased by 94 per cent. When gold was found in Australia, Great Britain again got a great deal of the business and her export trade to Australia increased by 360 per cent, while her export trade with the rest of the world increased by only 22 per cent. The same thing happened when gold was discovered in the Transvaal and later on in West Australia, but I will not weary the House with the figures.

I should like to refer for a few moments to our former friends and see what we have done for them. I will not refer to the reduction which this Government has made for their benefit in agricultural implements. It is not necessary for me to refer to the list of expenditures that we have, running into millions every year, on agriculture, and in my opinion, more should be spent. But when they object, as they did the other night, to giving Roumania a credit of $25,000,000 with which to buy our manufactured products, I want to remind them, as Sir Thomas White did a year ago, of the $300,000,000 advanced by this Government to make possible the marketing of the products of the farmers of this country. I only wish that could be done again this year. I do not think it is fair to advocate protection in one direction unless you carry

10 p.m.

it all along the line. I am firmly convinced that, in protection, we have the only instrument that can make Canada a great country, and in that regard I include protection for the farmer as well as for every other man. I can quite readily see the rationality of the United States in trying to protect the farmers of that country. That has been the principle of the Republican party since that party was formed, and there is not a man in this House who does not know that, if the Young Bill goes through, it is going to be a detriment to Canada, but at the same time it is going to be a help to the farmers of the United States. The idea is that they want to protect their industries, their farmers and everything else within the borders of their country. That is the policy that should be carried out in this country.

I should like to put on Hansard for reference some figures which have been supplied to me by the former Minister of Militia regarding exemption to farmers, a subject that has been so often brought up, the claim being made that this Government broke its pledge in that regard. I am not going to argue the question one way or the other, although I am perfectly prepared to do that, just as I am perfectly prepared to answer the argument of the hon. member for Dorchester (Mr. Cannon) when, in this House a few weeks ago, he declared that every member from Ontario and the other provinces should apologize to Quebec. I want to tell him that I am not and do not pretend to be in the apologizing business. The figures supplied to me are as follows:

Total number who registered as farmers under the Military Service Act....	166,484
Number of above who claimed exemption..	161,981
Number of above allowed exemption..	141,532
Number who reported for service.. ..	4,503
Number of all occupations who were enrolled as soldiers under the Military Service Act..	124,568
Of above the number of farmers were approximately..	55,000
Number of farmers granted leave of absence by special Order in Council	29,650
In addition to above, there was granted conditional leave of absence—harvest leave—to..	7,000
In addition to that, a number were made non-liable under special Orders in Council governing hardship cases, approximately..	2,000

I place these figures on Hansard simply for reference, because no doubt they will be useful to many people.

I have endeavoured to present to the House a few arguments showing the way in which we can meet our difficulties in the future. I believe Canada, with her immense natural resources of all kinds, must develop and perfect them to the greatest degree within her own borders, and that we must send out from this country the finished product, thus giving the greatest benefit to the present number of our people.

Mr. ROCK LANCTOT (Laprairie-Napierville): (Translation.) Mr. Speaker, the Budget speech is always interesting to this House and to the people of this country; but it is more so this year because the speech from the Throne announced that there would be a revision of the tariff during the present session. However, on the 9th instant the hon. Minister of Finance declared that the revision of the tariff would not take place this year. Now, the Government had judged proper during last year to appoint a commission composed of ministers and secretaries, to go over the country from the Atlantic to the Pacific, and inquire into our needs and guide the hon. Minister of Finance in this tariff revision. To my mind there was no need of this commission going over the country and spending tens and tens of thousands of dollars if the Government had no intention of going on with this revision. But I am not surprised, Mr. Speaker, that there should be no revision this year, for I have somewhat followed the right hon. Prime Minister's round last fall, and I concluded from his speeches that he did not want a tariff revision, for everywhere he preached the protection policy inaugurated in 1878. He contended in his speeches that it was the only proper one for the country. It was therefore useless to have spent the people's money on this errand.

Before entering upon the consideration which I intend to offer upon the new taxation, I must say that I do not very heartily endorse the new liabilities, for I did not encourage the Imperialistic policy which has been carried on since 1914. I was for three years the only one in this House to protest against this insane policy of sending five or six hundred thousand men to the great European war. I will recall to you, Mr. Speaker, what I stood for in this House in 1915. I then stated that we should take part in this war, but according to our means. I gave the illustration of a son who must help his father; but I added that if both were threatened with ruin, the son should stand aloof, for with a young family to bring up he should save the little money he has. The reverse took place, Mr. Speaker, we enlisted 590,000 soldiers, and

the result is that the son is ruined while the father is enabled to decrease the amount of his debts. Such is the result of our participation in the war. I see in the public reports that England has in the course of the fiscal year just ended decreased its debt by more than one thousand million dollars, while we have increased ours by more than hundred and one millions. If my opinion had been listened to at the time, if the Government of the day, led by the right hon. member for King's (Sir Robert Borden) had understood the interest of the country, they would have realized that the interest of the country would not permit the sending of more than one hundred thousand men, for instance, I will say two hundred thousand men in deference to the Imperialists. I believe that any nation in Enrope would have been satisfied with this contribution, for at that time neither England nor France, nor the other Allies, expected more from Canada, as it was known we could not do better.

In order to prove that I was right at that time, and that 200,000 men were a sufficient sacrifice—it was even too much, to my mind, but I allow this figure in order not to arouse the warriors of this House—here is what I find in the report of the proceedings of the special committee appointed by a resolution of the House of Commons, of September 18, 1919, to which was referred Bill No. 10 to amend the Act creating a Department for the re-establishment of returned soldiers in civil life, as well as certain Orders in Council relating to the work of that department:

The Chairman: I desire to read to the committee a letter received by the secretary at noon from Mr. Cox (reads):

OTTAWA CANADA, October 1, 1919.

The Secretary,
Special Committee,
Soldiers' Civil Re-establishment,
House of Commons, Ottawa.

Dear Sir,—As instructed by the committee I have prepared an estimate as to the amount it would cost to pay gratuity of $2,000 on account of every soldier who saw service in France, $1,500 on account of every soldier who saw service in England, and $1,000 on account of every soldier who saw service in Canada only.

From the figures at present available, I estimate the cost of paying this gratuity would be $983,624.

Yours faithfully,

(Signe) THOMAS COX,
Assistant Director Pay Service
(Demobilization).

By Hon. Hr. Béland:

Q. What is that based on?—A. It is based on official figures.

By the Chairman:

Q. Who prepared this estimate?—A. I did, sir.

Q. Upon what basis was it prepared?—A. The total enlistments in the Canadian Expeditionary Forces were 590,572. Of those 418,052 proceeded overseas, leaving a balance of 172,520 who had service in Canada only.

Q. How many in Canada?—A. 172,520. And 418,052 proceeded overseas. Of them it is estimated that 50,000 did not get any further than England.

There are no actual figures available showing the number of men who did not get further than England, at the present time, but I have discussed this from the information we have, and have confirmed it from the heads of all the other departments, and I believe that this 50,000 is a fair estimate. Taking the 50,000 from the 418,052, it leaves those who proceeded to France or to some other cambatant area at 368,052. Multiply this by $2,000 for each of those who saw active service and it would mean the Government would have to pay them a total of $736,104,000. Then pay 50,000 soldiers who served in England a bonus of $1,500 each, and this would come to $75,000,000. Pay $1,000 each to the 172,520 soldiers who served in Canada and there would be added to the above amounts the sum of $172,520,000. This would make a total for all three of $983,624,000.

By Mr. Cooper:

Q. That does not include the Imperial veterans or their dependants?—R. No, Sir.

I do not need to say more. This is sufficient for the point I am making.

Now, Mr. Speaker, what conclusion could an impartial man draw from all this—I mean a man who is not a politician, who is biased by no political considerations? It is this, that when the Government whose leader was the right hon. member for King's (Sir Robert Borden) imposed upon us as a conscription of 100,000 men, it was not with the object of winning the war, but of winning the election of 1917. If there were an immediate need of 100,000 men, why did the Prime Minister and the Minister of Militia not send first the 50,000 men who were in England at that time and the 50,000 men who were here in Canada and whom the Government kept here to hunt for conscripts through the country? That would have solved the problem of the 100,000 men alleged to be needed. But that did not suit the Government. Conscription was imposed. What happened? The available soldiers in Canada were used to gather conscripts. The province of Quebec was hounded. The object of conscription was to win the election. The Government wanted to have it said in the other provinces that it was absolutely necessary to enforce conscription against the Quebec people who refused to do their duty. Our friends from Ontario were nevertheless a little disappointed themselves, for their candidates had promised them that they would not be disturbed by conscrip-

tion, that the measure was directed against the people of Quebec only. I believe that it is to some extent an outcome of all this that we have among us a third party—the Agrarian party—that I am pleased to see in this House; and if the electors of Ontario have rid themselves of the Hearst Government, I believe that it was also due to conscription.

I now come to the speech of the hon. Minister of Finance. The minister is gratified with the volume of business done by us, which amounts to $2,429,288,755. Our imports have increased by $175,608,887, and our exports decreased by $50,328,397. Our volume of business has been large, it is true; the proof that it was very large is that we are poorer than ever; there have been hundreds of thousands of men unemployed in the country for several months; our imports cost too much; and people who during the war could buy have not the same means, and business goes from bad to worse.

The Minister of Finance is proud of the result obtained during the last fiscal year. The revenue has surpassed his expectations; it is approximately $432,000,000 against $349,746,334 last year. He declares that this increase is most satisfactory, albeit the times are not very good. Mr. Speaker, the hon. minister forgets to tell us that this sum of 432 millions does not represent ordinary revenue, but is made up of extraordinary taxation. I quote as follows the revenue for 1919-1920:—

Inland Revenue	$ 43,000,000
War taxes on industrial benefits	40,000,000
Taxes on income	35,000,000
Other war taxes	17,000,000
	$135,000,000

In 1920-1921, the revenue was as follows:—

Excise	$ 37,200,000
Industrial benefits	40,000,000
War taxes—on income	46,500,000
War tax on Inland Revenue	79,050,000
Other war taxes	2,355,000
	$205,105,000

As you see, Mr. Speaker, the war taxes for 1919-1920 were 135 millions and $205,105,000 for 1920-1921. The hon. minister will tell you that with the ordinary revenue he has been able to pay the ordinary and the extraordinary expenses. I hold that the revenue which the minister to-day calls an ordinary one, is really one drawn from extraordinary sources, seeing that every year new taxes are added; the $135,000,000 of war tax in 1919-1920 having been increased by new taxes in 1920, therefore for the last fiscal year ending on March 31, 1921, the war taxes brought in more than $70,000,000 over and above the 1920 taxes, and next year we shall still have a larger revenue with the tax on commerce; that is to say on our importations and exportations, sale taxes and on our business transactions in the country the taxes are as follows: 1½ to 3 per cent—the taxes on our importations will amount to 2½ to 4 per cent respectively; at the same time the taxes on alcohol will have doubled; so much so that next year instead of paying $205,000,000 of war tax, we shall be paying very closely to $300,000,000, and the hon. Minister of Finance will again declare before this House and the country: "With the ordinary revenue, I have paid up both the current and unusual expenses," but what he has not mentioned is that he has collected $300,000,000 in war tax, since 1917; these did not exist before 1914.

But this is not all, Mr. Speaker. Take for instance the custom duties in 1919-1920 and 1920-1921. In 1920, it amounted to $167,000,000 and in 1921, it was $163,000,000; while before the war we had a revenue of $70,000,000. Why the difference? Is it owing to the increase of our population, if within the last six years our revenue has more than doubled? No, Sir, the reason will be found in the higher price we have paid for goods that have been bought since the war. In many cases the duties are paid ad valorem according to the value of the merchandise and these having tripled in value in many instances, the duties are three times as high. As an example, a piece of cloth, let us say a web of 100 yards at $1.40 per yard = $140 at 30 per cent duty=$42. Let us suppose that the same cloth had been bought in 1914, a web of 100 yards, exactly the same quantity—but the quality is not the same—these goods have trebled and even increased fourfold in price in many cases. As a base of comparison let us say it has increased three times, it is therefore no more 100 yards of cloth at $1.40 but at $4.20 which gives $420 at 30 per cent ad valorem=$126 which brings to the public treasury three times as much money. The minister is well acquainted with this fact, that the custom duties for the year 1921-1922 amount to $135,000,000 in comparison with $163,000,000 which they amounted to last year, not that our population is less than last year, but for the simple reason that goods we now buy have come down in price.

If such is the case, Sir, our people have thus paid, from 1915 up to this day, on an average more than double what they paid before the war, therefore, we have not only had war taxes bringing in an extraordinary revenue, but also from 60 to 80 million dollars in custom duties as an extraordinary revenue. Add these figures to the war taxes and you arrive to conclusion that this year we have paid very closely to $300,000,000 in new taxes, and that we shall be paying very near to $350,000,000 in 1921-1922. Mr. Speaker, the minister will tell us, that things were well done; but is it not a fact that the people played their part also? Shall we be better off next year? No, Sir, we shall be in a worse position owing to this further taxation. By this exportation and importation tax of 1½ to 3 per cent and of 2½ to 4 per cent, the hon. Minister of Finance will no doubt collect a large amount of money, because every one is called upon to pay, the poor even more than the rich. I have often heard remarks on the part of my good Montreal friends, which I could not endorse, with reference to the agricultural class not paying any income tax neither the higher paid artisans and that invariably the tax falls on the capitalist. I differ in opinion with them. The wholesale merchant of Montreal, Toronto, Winnipeg or of anywhere else, who carries on a large business from which he derives large profits, certainly pays a large amount as an income tax; but that same merchant figures out first his expenses, before setting a price on his goods, and I am sure that he does not omit his rent, if he is a tenant, his municipal taxes, his staff and lastly his income tax, whether it be $50,000 or $100,000 and in the end we find that it is the people who pay.

Mr. McMASTER: (Translation.) It is "Baptiste" that pays.

Mr. LANCTOT: (Translation.) My hon. friend from Brome (Mr. McMaster) says that it is always "Baptiste" that pays, and he is right. I therefore say that everybody is called upon to pay and you must not throw the stone at any one and proclaim that it is only a certain portion of the population that contribute to the revenue. Everybody pays, unfortunately even those who should not pay because they are not rich.

This induces me to make a remark regarding what my hon. friend from Muskoka (Mr. McGibbon) said a moment ago. He asked: Where will our revenues come from if we have no custom duties. And he went on saying that we would have to impose heavy taxation in order to replace the amount now collected through the customs. For my part, whether the tax is a direct or an indirect one, the result is always the same: the people must ultimately pay.

The hon. Minister of Finances wants this House to vote $582,062,698 to cover the estimates for the year 1921-22, beside the $9,375,000 for the civil service bonus, or $591,437,698 in all. He gives us the following figures: Ordinary expenditures, $343,021,594; capital expenditure, $27,459,127; demobilization, $7,777.380, making a total of $378,258.101. I have nothing to say against ordinary expenditures, unless for instance we should certainly economize something as regards to public works. This year we might save from twelve to fifteen million dollars on works which are not urgent and which mostly have been promised at election time in order to return either a minister or a member supporting the Government.

Mr. McMASTER: It is not worth the price.

Mr. LANCTOT: It is too expensive. We might also economize on the Militia of my old and esteemed friend the Minister of Militia (Mr. Guthrie). I have always strongly protested in this House against this folly of militarism in our country. When my hon. friend the Minister of Militia asks the House to vote his militia estimates he goes into comparisons, he talks about our sister Dominions, he takes us to Europe, even to Asia and Africa and he concludes by stating that we are the only country in the world spending so little for her army. The hon. minister forgets to state that geographically we are so situated that we could cease spending any more money for army purposes and that the other British colonies are not in a similar situation. This is why I think that not a cent should be spent for the next five years, but I am ready to allow a few military expenses so as to satisfy my imperialistic friends. This year we are spending twelve millions for the Militia. Why not cut this amount in half and spend only six millions.

An hon. MEMBER: That's too much.

Mr. LANCTOT: One of the hon. member says it is too much. Quite true, it is too much in my opinion, but I wanted to make suggestions to the Government although I am perfectly convinced they will not accept them. Does the hon. Minister

of Militia claim that at the present time it is absolutely necessary to give to a number of our young men a military training? Will the hon. minister state that it is absolutely necessary for us to have soldiers? Why? In case another war should take place in Europe is there a Government at Ottawa willing to throw us in that new war when we are practically ruined? For my part I would not send another single soldier in Europe to take part in another war. Was not our war against Prussians also directed against militarism which we wanted to destroy in the world? Now that we have the League of Nations some of our political men claim that our status is changed, that we have a different standing from what we had before the war. It is true that our status is changed, when we have to pay as well as the great European powers, but when it comes to receive, we shall revert to our colonial status, we shall be told that Downing Street still governs us and we will not get a cent of the war indemnity. We are mighty important people when it is a question of paying out but when there shall be something to collect, we will be assigned a back seat and we will not get a red cent.

But, that is not all. We have also an air fleet, so they say, which will cost $1,625,000 this year. Why should we have an air fleet at the present time? I fail to understand why we go on with such folies. If our forefathers could come back and were told that we are spending so much on militarism, they would say: What is the world becoming? In my opinion not a cent should be spent for such purposes and in this way we could save the country this amount of $1,625,000. I only wish we did not spend a dollar for that air fleet because we might thus save the country an expenditure of $1,625,000.

The hon. Minister of Militia says that the Mounted Police do not come under his jurisdiction, but I suppose there is a member of the Government who has charge of this department and I must tell him just now, that it is shocking to see the Mounted Police parading the streets in Ottawa.

I have been here for 17 years, and I consider that the city of Ottawa does not need the Mounted Police parading the streets. Ottawa is one of the most peaceful cities in the country, and therefore there is no necessity of keeping the Mounted Police here. That is why I say to the Government, with regard to this credit: You have about four million dollars, you may easily cut out two million and a half.

[Mr. Lanctôt.]

And that is not all. The hon. Minister of Marine has obtained for us a gift of three ships from the Mother Country—England. The upkeep of this present is quite expensive. The crew must be fed and paid and we must buy coal. This involves considerable expenditure. Under the circumstances, I would suggest that the minister place his gift in safety at Montreal, at the million dollar island, for example, or elsewhere, and leave it there for five years, so that we may save the country at least two million dollars a year, which would mean a saving of ten millions.

I am economical myself, I preach and practice economy, and if my hon. friends did the same, it would be to the greater benefit and happiness of the people.

The hon. Minister of Finance spoke the other day of non-productive investments, that is to say, which do not yield any returns. Where I come from we know nothing of this kind of investment. He mentioned the following:

C.N.R. Railway	$ 50,000,000
Grand Trunk	89,687,633
Grand Trunk Pacific	26,000,000
Total	$165,687,633

He told us that certain amounts should be charged to current expenditure of the year, but that he could not do it this year as there is already a large deficit, although he said at first that he had a surplus of 12 million dollars which subsequently was absorbed by a deficit. I must say that, so far as it concerns the railway question in which all Canada is interested, and particularly those who use them, who have goods to ship from one end of the country to the other, that there practically exists an embargo, at the present time, on the shipment of our goods. For several reasons, this railway policy has been disastrous to the people of this country; all politicians are more or less responsible for that. The hon. member for Muskoka (Mr. Davidson) began just now to discuss the question but he stopped suddenly. I have already had the occasion, during the session, to speak of railways; however, I wish to speak further on the subject. The party which is now in power is the same as in 1911, although it has changed its name.

Mr. McMASTER: An alias.

Mr. LANCTOT: (Translation.) But the staff is the same. Some are dead, others have resigned, but it is still the Conservative party—call it what you will—it is the

party which has advocated this railway policy from 1911 until now.

The Prime Minister has frequently told us that the Liberal party were responsible for the present situation; that Sir Wilfrid Laurier's railway policy had been disastrous, and that the Liberal party wanted to wash their hands of this, claiming they were not responsible. I say that those who are most guilty are the present leaders of the Government. If Sir Wilfrid Laurier's policy was not good in 1911, why have you continued such a policy? If the railway construction from Port Arthur to Montreal was of no advantage to the people of this country, why, after the elections of 1911, did you continue it, with Mackenzie and Mann, and why, later, did you extend the Canadian Northern railway from the prairies to Vancouver. Is it our fault if we now have three transcontinental railways to go to the Pacific ocean? It has been the most disastrous policy which a Government could have adopted. But, what could have been done at the time—I blame both parties for this—what should have been done in 1911 would have been not to give 35 million dollars to Mackenzie and Mann, but to expropriate them and to settle with them once for all as early as 1911, and to use these branch-lines in the West as "feeders" for the Transcontinental National and then the Transcontinental and the Grand Trunk Pacific would have been a success. The Government of the day was not interested to make the Grand Trunk Pacific a success, but the new Government whose leader was the right hon. member for King's (N.S.) (Sir Robert Borden), from the very moment they came into power, in 1911, endeavoured to destroy Sir Wilfrid Laurier's work. They did all they could; they made an investigation and some enthusiastic supporters of this Government endeavoured to disparage as much as possible Sir Wilfrid Laurier's undertaking, and to prevent the Grand Trunk from taking control of it. That is what that party has done. They committed a serious offence, when, for political purposes, they disparaged the property of the people of this country.

Mr. McMASTER (Translation.): Slanderers.

Mr. LANCTOT (Translation.): They were slanderers. It is awful for a party to destroy, simply for political purposes, property which cost $171,000,000. I say, Mr. Speaker, that a party holding such conduct will be severely punished in due time. Is there a Government in a country like ours who are able to administer the railways, and particularly this Government who never made a success of any of their undertakings? For instance, they gave out contracts three years in advance and sometimes at a much higher price than was warranted. Just think, they underlook to operate in accordance with what was being done in the United States the railways of this country, whose area is equal to that of the United States, but whose population is only 8½ millions, compared with 105 millions in the neighbouring Republic, then to apply here the eight hour day, according to the McAdoo schedule; and the result is that we have throughout the country many railways paralleling one another. Please notice what is being done here in the capital. There are twelve trains leaving Ottawa for Montreal every day, and the same number going in the opposite way, which makes twenty four trains daily.

I have a suggestion to make with a view to preventing our railway policy to ruin the country. I think the Government did not take the trouble to read the memorandum addressed to them by Lord Shaughnessy. As far as I am concerned, I have a right to speak in the name of the 234th part of this country, since we are 234 members of Parliament. Well, in my opinion, the sooner we get rid of our national railways, the better it will be; and personaly, I say very frankly that I am not very particular about the way in which we may get rid of them: Be it for one, or for five, or for one million dollars, I would get rid of them immediately. I would not confide the operation of our railways to a company like Mackenzie and Mann, but to a company like the Canadian Pacific, administered by a board of directors possessed of great experience. Then you would see a great change in the administration at the end of four or five years, and instead of having deficit upon deficit, we might have a surplus. But can you ever expect any return on a railway administered by a so-called independent board, for they contend that the Civil Service Commission is an independent body and that patronage has been abolished. But the Government is doing nothing without patronage. I shall refer to it later. For the moment, I am dealing with our railways and the way to ensure their effective operation. Whom do you see at the head of those railways? Mr. Hanna and Sir Hormisdas Laporte. What does Sir

Hormidas Laporte know about railways? He knows all about sugar and molasses, but absolutely nothing about railways. However they are the men who are expected to administer with profit our 17,000 miles of national railways.

Now we have the Grand Trunk on our hands. That company seems to be very fastidious; they will not accept the views of the Government nor the results of the arbitration. I would like to be the party to decide and I would soon settle their case; I would refuse to take control of that railway and I am sure people would approve of my decision. But this Government want to have the Grand Trunk; they want everything in the world, and then we shall have to pay for it. But what shall we pay with? The hon. Minister of Finance will impose some new taxes, and more taxes all the time.

The Government is responsible for this railway policy which is bearing so heavily on the people of this country. You might just as well say to the Government that there are dealers to-day who have very large stocks and who are in financial straits. Personally, as a hay merchant, I have lost money and I am going to lose some more. Why don't you help me out? The railway companies need but to apply to the Government. The very men who led those railways to bankruptcy are still the advisers of the roads. Mackenzie and Mann are there, behind the screens, working in behalf of this Government. There is one thing that is always tempting all political parties and it was the misfortune of many a country in the world: The elections are drawing near, and they often come sooner that it is desired.

There are two openings now; these elections were not wanted, but unfortunately, the representatives of these ridings died. I understand that the Government require a lot of money for that; the big railway men are asked to contribute and thousands, nay, hundreds of thousands of dollars are secured in that way for electoral purposes. Later on, you cannot refuse to do a good turn to these gentlemen should they be embarrassed, and the people have to foot the Bill. I congratulate my friends of the Agrarian party for having adopted a better method, that of having the campaign funds voted by the riding which is to elect a representative. What I have found to be the best system is to work in the interest of my constituents, to tell the truth, to say whether such legislation is good or bad and when it is bad, to vote against it. Then I go back to my constituency where I can be elected without disbursing a red cent.

The hon. Minister of Finance in his Budget speech, gave us the net debt of this country, but not our total of indebtedness. I looked in the Official Gazette and there I saw that the gross debt, of this country in March last, amounted to $3,000,000,000. I was particularly impressed by the amount of interest which we are paying on our debt and which amounts to almost $143,000,000. If our obligations were only $2,350,000,000, we would not be paying such a large amount of interest. Now I have always held and I still hold that the actual debt is represented by the total amount of our indebtedness, because we are not sure of getting back the amounts due to us which we include as assets. The Government has advanced money to foreign countries upon which it receives no interest and there are many loans, out of which we get no returns. Therefore I say that our debt amounts not only to $2,350,000,000, but reaches $3,000,000,000, and I am going to prove it. We are paying this year $142,000,000 for interest, that is an increase of $519,069.69 over last year. Our deficit of $101,000,000 for last year, will increase by so much our interests for 1922-23. It means that within two or three years we shall have to pay $150,000,000 for interests. Moreover, our railways do not pay their operating charges. We have to borrow and add that to capital.

If we maintain that railway policy, in five years from now, our debt will not only amount to $3,000,000,000, but judging by what our railways have cost us up to now —except the Grand Trunk—I do not think I am misleading the House in saying that we shall owe $1,000,000,000, for our railways alone. Three billions and one billion, make four billion dollars, and if we acquire the Grand Trunk which will cost, I suppose, four or five hundred million dollars and perhaps a good deal more, in five years, our total debt will certainly amount to $5,000,000,000. Therefore I say to you: What shall we become with such an enormous debt, and why should we have it? We owe it to our war-time folly, to our foolish acquisition of bankrupt railways, and also to the fact that we have adopted the McAdoo schedule. Again I ask you: Why should we have adopted the eight-hour day for our railway employees? To-day conductors and engineers earn more than professional men in the country districts. Some conductors are earning as much as $5,500, others $4,500 and $4,000.

Mr. McMASTER: Per month.

Mr. LANCTOT: No, per year. Is there any reason why, to-day, after the war, and poor as we are, we should maintain the eight-hour day? Not at all, Mr. Speaker. Let us come back to pre-war conditions and let us establish a ten-hour day for all railway employees. An eight-hour day is sufficient for men who are working in factories and mines, but for railway employees as well as for us farmers, a ten-hour working day does no harm. It is a well known fact that railway employees, whether on our national roads or on the Canadian Pacific railway, are not working only eight hours a day, but in many cases, sixteen and eighteen hours, in other to get time and a half. Under such conditions it is very hard to come out even.

I was saying a moment ago that I was surprised to see in the Estimates such large provisions for demobilization. The armistice was signed nearly three years ago and yet this Parliament is asked to vote seven or eight million dollars for the purpose of demobilization. I think that it is simply a pretext given by the Government to take better care of their friends, and we have a proof in that certain lawyers in Winnipeg have been well cared for, not so very long ago, out of those demobilization Estimates. Somebody assured me that a law firm in Winnipeg, drew the small amount of $56,000 for 102 days of work. This, I admit, was unsatisfactory to other firms in that city, so they had to retain the services of other lawyers in order to do away with all bitterness. The Department of Justice did that, they took in some other lawyers and, as stated before the Committee on Public Accounts a few days ago, $180,000 were paid to lawyers in Winnipeg to secure the punishment of workingmen who had indulged in seditious appeals during the Winnipeg strike, it was found necessary to hire the help of lawyers in order to have those people imprisoned. Mr. Speaker, I protest against this fraudulent appropriation of the money voted by this House for a special purpose and not with the intention of feeding any Winnipeg lawyers in spite of the well-known fact that some ten odd lawyers are to be found in the offices of the Department of Justice at Ottawa. Of course, many lawyers are required there, as the Minister of Justice can devote but a small part of his time to the business, for the reason that he is too busy outside, having estates to manage, banks to take care of as director, too many "jobs," as our good Canadians say. He wants some help, and so much the more so as he is advanced in years and suffering from illness. Then, he has to keep tab of all his salaries, the amount of his pension, of his investments; this also requires a good deal of time and, therefore, there must be a good many lawyers at work in his department. I am told that there are ten. Why not take two, for instance, and send them where trouble happens to arise. Instead of paying $56,000 to outside lawyers one might have relieved the congestion in the Department of Justice and left there a staff of eight. I do not suppose that a business man, a hay dealer or a wholesale dealer in Montreal would apply to a lawyer in Ottawa with respect to a case he had to plead in this city if he had already retained the services of another lawyer with respect to his general business. I can safely say that the Government would save at least $500,000 a year by resorting to the services of the lawyers whom they have already engaged, and permanently so, at Ottawa, and by leaving the outside lawyers with their own business. I am pretty sure that everything would be carried on to the best advantage in this way. The right hon. Prime Minister has inquired, on many occasions, what was the stand of the Opposition as regards the tariff question, stating that the next election would be fought on that mere question. Speaking for myself only, I must tell the Prime Minister right away, that as far as I am concerned and as far as the county of Laprairie-Napierville is concerned, he will have some other questions to settle with me and with my electors if, as I hope, we are to have an election shortly. The Prime Minister must be judged on what he has done to date. If he has sinned he must be punished. The man who dies to-day will not be punished for the faults which he might have committed twenty years from now, but for the faults committed in the past. I merely want the Prime Minister to be punished for the sins he has committed and not for those which he might commit in the future. The farmers in our counties know a tree by its fruit. "The tree which bears no good fruit shall be cut and cast into the fire." Of course, I would not tell my electors to sentence the Prime Minister to be thrown in the fire, but I shall have him condemned to go back to the Opposition side, that is the only punishment I wish him.

As far as I am concerned, I would like to discuss the treatment which we have received at the hands of the Prime Minister. I remember that, on several occasions, we have been charged by hon. gentlemen opposite with being cowards and slackers. Well, let me tell the Prime Minister right now, that he will find the electors of my county to be no cowards and that they will go to the polling booths and deposit their ballots in the ballot boxes, but not in his favour. The right hon. Prime Minister will leave for Europe shortly, in order to attend the Imperial conference. I look unfavourably on his departure, but, after all, the majority of the House has authorized it. I am very much afraid he will come back to this country with new obligations imposed upon the Canadian people, although he will have received no mandate aforehand to bind the country; but, anyhow, this House has given him carte blanche.

Mr. TRAHAN: (Translation.) On division.

Mr. LANCTOT: (Translation.) . . . on division. I am not sending him, nor is my hon. friend from Nicolet (Mr. Trahan). However, he will leave shortly. I suppose he will be wise enough not to take an unseaworthy boat. I hope he will take a seaworthy boat so as to get overseas safely; he will make a good choice and I approve him. But when he taunts the members of the Agrarian party for selecting their boat and getting in ours, being unwilling to risk themselves in the Government's leaky craft, then I disapprove him. I want him to leave on a good boat that he may sail safely, but I want him also to let others have their own say in choosing a craft for themselves.

Mr. R. H. BUTTS (Cape Breton South and Richmond): Mr. Speaker, the Budget speech has taken a most peculiar turn in the remarks of the hon. gentleman who has just preceded me (Mr. Lanctôt). He talked about everything except what his own side of the House have been talking about since this debate began. Surely the platform they have adopted since this debate has been in progress was wide enough to admit my hon. friend, for it included all kinds of fantastic economic theories. My hon. friend, however, has chosen to confine his remarks to railway matters and naval affairs, and he never even touched on the question of pressed hay, in which I understand he is very much interested.

I have followed with a great deal of attention the speeches delivered on both sides of the House, and the difference between the two sides is really quite marked. I do not think anybody with any degree of reason whatever could have any doubt as to the policy of hon. members who sit to your right, Mr. Speaker. I do not think there is need for anything further to be said as to our attitude on this side of the House after the speech of the right hon. the Prime Minister (Mr. Meighen). The policy outlined by him is, I believe, unanimously supported by hon. members on this side of the House. But when we turn to the other side we find the greatest medley of economic inconsistencies that could possibly be conceived of. Take, for instance, my hon. friend from North Cape Breton and Victoria (Mr. McKenzie). When leader of the Opposition he laid down a fiscal policy; it is there crystallized in Hansard for all time. He said:

> No, while we may have iron and steel in the raw state in this country, there may be others who can pour their products into this country and keep us forever from having an industry of that kind for our own. If I were to say that, and to allow the natural resources of this country to remain forever in a dormant state, I do not consider that I would be doing what would be in the best interests of my country or for the general advancement of the people. If to take some specific object of that kind and to provide for it in the way in which I think it should be provided for its Toryism, or protectionism, or unreasonable, as regards the general trade of the country, I must plead guilty.

That is a very clear definition of where he stands, and certainly it is good, sound protectionist doctrine. I understand that my hon. friend has since very humbly apologized for his stand on that occasion. I am told he has said he then made a mistake, and I am quite prepared to believe that, for in this Parliament on more than one occasion he has said he was not a protectionist, but that he was in favour of bounties. Now if there is any vice in protection, in bounties you have the most vicious type of protection.

Coming to my hon. friend from Maisonneuve and Gaspé (Mr. Lemieux), who sits next, he is the greatest protectionist in all Quebec when he is in the constituency of Maisonneuve, but when in Gaspé, in his advocacy of free trade he is only rivalled by my hon. friend from Red Deer (Mr. Clark).

Coming down a bit further to the hon. leader of the Opposition (Mr. Mackenzie King), he is all things to all constituencies.

It makes no difference what constituency he is in, he has a coat that will fit it.

Coming now to the hon. member for Shelburne and Queen's (Mr. Fielding), I can remember, though it is quite a few years ago, hearing him deliver a speech in the city of Sydney, right in the centre of the coal fields of Cape Breton, in which he said that if the coal trade of Nova Scotia could not stand without protection, then let it fall. Here in this House, a few nights ago, he told us that he was not a free trader, and never had been.

Coming now to my imaginative friend from Brome (Mr. McMaster), at the Liberal convention here in Ottawa, he said: Yes I am a free trader, but in theory only. My imaginative friend imagines he is a free trader, but I do not think there is any one in this House imaginative enough to imagine for one moment that he does anything more than imagine he is a free trader. He is not one in reality.

Coming now to my hon. friend from Gloucester (Mr. Turgeon), after talking along protectionist lines all night he turned round at the heel of the hunt and said that tariff for revenue was good, but no tariff at all was better, and then sat down, so we did not know which side of the fence he was on. He left us in doubt as to his position on the tariff.

My hon. friend from Victoria and Carleton (Mr. Caldwell) is, of course, an out and out free trader. He was a free trader in potatoes and farm products all during the war when he was getting $4 and $5 a bushel, but now that this new tariff has come into effect in the United States and closed, him out, he is no longer a free trader. He is a protectionist now, and he wants the Canadian Government to retain the Canadian market, not only for potatoes, but for farm products generally. He would welcome an expert duty on pulpwood. So you see his is a brand-new type of protection, different altogether from that advocated by hon. gentlemen who sit on the front benches on this side.

My hon. friend from Queen's (Mr. Sinclair) is in favour of an altogether different type of protection. He talks neither free trade nor protection, but under some kind of a veil he advocates a new species of protection that I never heard of before. He tells us that in Prince Edward Island they cannot sell potatoes at 17 cents. Now potatoes were on the free list up till very recently, but when the American tariff is put on, my hon. friend runs for cover, and seeks protection of a very peculiar type. He wants this Government to reduce the freight rates on potatoes from Prince Edward Island by about two-thirds for several months, and I suppose later on he will not need so much protection. It is not strange, therefore, that I should call this a medley of economic contradictions. Turn it what way you will, the most you can possibly make of it is that they cling to that old phanton of free trade, while in reality they are protectionists of one kind or another, save only my imaginative and hon. friend from Brome (Mr. McMaster) and my hon. friend from Red Deer (Mr. Clark), who hold to that old phanton, and who are the only remaining examples of an almost extinct species.

Now, let us just look very briefly over the fiscal policy of this country, as far back as you wish to go. You will find that when protection was adopted four or five hundred miles of railroads were all that we had in the Dominion, and under the protectionist policy which has obtained from 1878 until to-day, this Dominion, with a population varying from, at that time, five and a half millions or six millions to eight or nine millions to-day, has built forty thousand miles of railway. To-day, although perhaps we should be better off without some of the railways, the Dominion of Canada has a greater mileage of railroads per capita than any other country in the world, and they have been built under protection. Previous to 1911 we had spent approximately $250,000,000 on a canal system, opening up a waterway from the mouth of the St. Lawrence 2,500 miles into the interior of this country; and that was built under protection.

When hon. gentlemen opposite were in opposition previous to 1896 they yelled free trade, so that the capitalists did place some amount of credence in their declarations. They thought that after the preaching of years, surely the Liberal party would do something to bring about a lower tariff, and for that very reason, during those years, there was something unstable in the commercial conditions of Canada. But when in 1897 the hon. member for Shelburne and Queen's (Mr. Fielding) brought down a protectionist Budget and further stabilized the trade of Canada, then it was that the capitalists began to feel confidence in the resources of this country; and during the ten years that followed there came into Canada $300,000,000 of American money to build up factories and develop the resources of the

Dominion. It was realized then that there was no longer a dispute between the protectionists and the free traders. The American capitalists began to realize that we were all of one fold, with one shepherd; we were all protectionists; hence the stability of trade, hence the influx of capital, hence the golden age which my hon. friend from Maisonneuve and Gaspé (Mr. Lemieux) has spoken of. Can he expect any one to believe that it was their political doctrines that brought about the age of prosperiy that lasted from the time when our fiscal policy and our trade conditions were stabilized, right down to the beginning of the war? I do not think he will seriously contend anything of the kind. It is true that if they did not raise the tariff of their predecessors, neither did they make any attempt to cut it down as it stood when they came into power.

Let me look for a moment at the condition of our foreign trade under protection. In 1866 our foreign trade amounted to $131,000,000, including imports and exports; in 1890 it was $218,000,000; but by 1900—from 1890 to 1900 were protectionist years—we increased our foreign trade from $218,000,000 to $693,000,000. We did that under protection. The home interchanges in Canada in 1911 amounted to $1,000,000,000 and the yearly wages paid out in Canada at that time amounted to $250,000,000. These are some of the figures that make us pause and consider; these are the conditions that made the Laurier Government also pause and think, and that prompted the member for Shelburne and Queen's, who was formerly Minister of Finance, to throw to the winds those whimsical ideas he entertained while in Opposition, when he felt no responsibility whatever upon his shoulders, and to adopt the policy that had proven itself in the country, the policy of wiser statesmen than he. That hon. gentleman's wisdom consisted principally in knowing enough about the tariff to be guided by those who were more conversant with the situation than he was.

Well, time went on and my hon. friend from Shelburne and Queen's could not get clear of that little hobby horse of his younger days; and the time came when he and the late Hon. William Paterson went down to Washington to negotiate the Reciprocity Pact. Now, I have read a good portion of the book of life, and I have read a few more books, and I have learned from them that one very strong criterion of truth is public opinion. If that is so, then I say that the criterion of truth in all of Canada's days has been against the idea of free trade, or even of a low tariff. When that pact was negotiated, the very first thing we knew in Canada was that the legislatures of British Columbia, Manitoba, Ontario and New Brunswick passed resolutions opposing it. Nova Scotia and Saskatchewan approved of it; the provinces of Ontario and New Brunswick legislated against it. Pulpwood and timber cut on Crown and leased lands were not allowed to be exported to the United States. So you see the provinces of British Columbia, Manitoba, Ontario and New Brunswick, through their legislatures, protested against this pact. Let me just reiterate the words "that public opinion is a very strong criterion of truth." If it is, and we are guided by it, then we must say that a fair, moderate, and just protection to our industries is what the people of Canada wish for and what they will have retained.

I wish now to make a few remarks upon our steel trade. I am not going to speak of the coal trade to-night. I do not think it would be appropriate for me to do so because there is a special committee now considering that very question. They are taking evidence but they have, as yet, made no report and anything that I might say now would at least be characterized as inopportune. I shall, however, speak briefly upon the iron and steel industry. Now if we follow the history of that industry in the United States, with respect to the tariff conditions that have prevailed, we will find that the production of pig iron in the adjoining republic has assumed enormous proportions and developed to its present position under a high tariff. In 1868, when the industry was in its infancy, a tariff of $9 per ton was placed upon pig iron. This tariff was in 1874 reduced to $7 per ton, at which figure it remained until 1887 when it was further reduced to $6.72 per ton. In 1894 the tariff was further reduced to $4, at which figure it remained until 1910 when a reduction to $2.50 per ton was made. In the meantime, and as a result of the protection that it had received under that tariff, the pig iron industry of the United States had grown to such enormous proportions that the duty was entirely removed. Pig iron was put on the free list, and that product in the United States competed with all the countries of the world. The development of the industry was so immense that it was

able, and more than able, to engage in such competition.

Take steel ingots and billets. The manufacture of steel ingots and billets in the United States was developed under similar circumstances. The tariff on certain grades of ingots and billets in 1868 varied from $25 to $70 per ton. The tariff was reduced by 10 per cent in 1874, but this reduction was afterwards eliminated in 1879. In 1894 there was a further reduction when the tariff varied, according to the quality of steel, from $5.36 to $83.90 per ton. The tariff was greater in 1894 on steel billets in the United States than they could be sold for to-day, not speaking of duty at all. Later on, under that tariff, the time came when they were able to make those products duty free, the steel industry having increased to such enormous proportions. The same is true in regard to wire rods, the manufacture of which received similar encouragement. In 1868 a tariff of $30 a ton was first imposed, the result being the development of the industry on a very large scale. It was the same with nails. In 1868 a duty of $30 a ton was imposed on nails. The United States, however, found that the duty of $30 a ton was not sufficient for the English nail was still coming into the country. They therefore increased the duty on nails in 1874 to $80 per ton, less 10 per cent. In 1879 they eliminated the 10 per cent and imposed a flat duty of $80 per ton. The protection was continued until 1894 when the industry had developed to such an extent that the duty on nails was reduced to 25 per cent. The United States was still able to compete with its rivals notwithstanding the reduction, and to-day those same nails are on the free list. It is said, I think on fairly good grounds, that from the steel works in Sydney some 600 different grades of nails went into England during all the years of the war. The United States supplied all its different grades of iron and steel to England, and their nails and their steel products are to be found in the markets of every country in the world. Notwithstanding the fact that they had a high protective tariff, so well established did their steel industry become that they have practically captured the markets of the world, and if they have not done that they are at least able to compete with all other countries at the present time, their products being on the free list.

Now, having that knowledge of the steel industry of the United States, just look at the present condition of the steel industry here in Canada. We have three large concerns manufacturing steel and steel products in the Dominion, and what are the conditions? In the fiscal year ending March 31, 1920, we imported 1,144,430 tons of iron ore amounting in value to $4,095,839, and for the ten months ending January 1, 1921, we imported 1,302,207 tons having a value of $4,886,942. In agricultural implements we imported from the United States in the fiscal year ending March 31, 1920, $6,792,-245 worth; we imported boilers, windmills, pumps, etc., to the value of $22,705,319; of castings we imported $1,958,311 worth; of chains we imported $3,395,496 worth; and so I could go on through all the different grades of steel and steel products imported from the United States alone until I come to the grand total of $178,661,606.

There is your low tariff! There is your hundred and seventy-eight and a half million dollars of Canadian money going into the United States to build up the industries of a foreign and rival nation to the detriment of our own manufacturers, and to the detriment of our own workingmen, who should have earned every dollar of that money. And still you talk free trade. Free trade with whom? Free trade with the United States that has to-day perhaps the highest tariff wall erected against us of any other nation in the world? Trade freely with them? Why, our free trade friend from Victoria and Carleton (Mr. Caldwell) even went so far as to forget his free trade principles and last night talked retaliation. And he was rebuked by the gentleman who sat quite near him, who in his speech afterwards said retaliation should not be suggested lest it might end in a tariff war. Was that not a very consistent conversation to take place between two paragons of free trade?

Now, Mr. Speaker, I shall pay attention for a few moments to some remarks made this afternoon by my hon. friend from Marquette (Mr. Crerar). There is an election down in New Brunswick, and my hon. friend referred to it this afternoon.

Mr. LALOR: Who is the Liberal candidate?

Mr. BUTTS: They are going to let that part of it remain in abeyance until the general election. But my hon. friend could not pass over that election without besmirching himself a little more than the man he intended to besmirch. He had to fan as much as he could the smouldering embers of bigotry and race

that have on many occasions, I have no doubt, done yeoman service for gentlemen opposite. He attempted to lead his followers to drink at the polluted stream of religious and racial bigotry and fanaticism; and he would be pleased, I have no doubt, to see them drink at that polluted stream with the same avidity that a buzzard pounces upon his carrion prey.

But, Sir, let me say that he is not altogether alone in that respect, although I had hoped there were none in this House to descend to such arguments. Yet I read in the Montreal Gazette this quotation taken from the nomination day speech at St. Francois du Lac of my hon. friend from Maisonneuve (Mr. Lemieux). He said:

> When on the 28th you mark your cross, mark it like Laurier would mark his cross if he were voting that day. His shadow is over this assembly, as it hovers over Parliament. He follows our deliberations from the skies and is asking if his compatriots and Canadians of all languages will renew the present regime.

My hon. friend seems to take on some of Mr. Stead's theories. He is a little spiritualistic—more spiritualistic, I think, than spiritual. But according to the Montreal Star—and, Sir, this is a very delicate subject which I am going to approach, and I wish to deal with it in all reverence and in all respect—my hon. friend from Maisonneuve is reported as having said:

> "Meighen is the father of conscription," went on Mr. Lemieux. "We cannot talk conscription without some emotion. While the Hon. Mr. Ballantyne was trailing his sword in London and Paris, my only son was in the trenches. He is gone, and it seems that I should pay testimony to his memory by working to punish those who brought the atrocity of conscription on our country."

Now, Mr. Speaker, if that is not partisanship gone mad I do not know what is. It is not often, that we find a man who deliberately uses the memory of his departed and lamented offspring to attempt to gain political aggrandizement by playing upon the feelings of an excited nomination day audience and making his departed son the object of commiseration. How much more he would have been admired even by that excited audience had he said to them: "My son was no conscript; he was a volunteer. When his country needed him he sprang to her assistance. He drew his sword in her defence; he bared his breast to the enemies of his country; he in the end made the supreme sacrifice that his country might live." The hon. gentleman might have said to the young men of Quebec: "Had you followed his example, conscription in this country would have been unnecessary. Had that course been taken by my hon. friend it would have been an honourable course; the memory of his son would be doubly revered and he himself would be doubly respected.

I regret, Mr. Speaker, that the leader of the Opposition is not in the House, for I feel compelled to pay a small amount of attention to him for a few moments. In a previous debate in the session the hon. member for North Cape Breton and Victoria made use of some such expression as this: that one of the many weaknesses of this Government was that it was at war with labour. Well, Mr. Speaker, I do not believe that this Government is so very bellicose as to be at war with labour, or vice versa. If labour is at war with this Government it is doubly bellicose, for certain it is that it has been at war with the leader of the Opposition for many years. Down in our county, some years ago, and also about the same time in Cumberland county, Nova Scotia, while my hon. friend the leader of the Opposition was Minister of Labour, we had a strike in which about 5,000 men were involved. On the morning that the strike broke out the leader of the Opposition, then the Minister of Labour received from M. J. Gillies, M.P.P., of Glace Bay, Nova Scotia, a supporter of the Murray Government at that time, a telegram in which he said:

> Five thousand employees Dominion Coal Company on strike here. Situation looks serious. Important that you get here immediately and try to effect a settlement.

How Mr. Macdonald, then the member for Pictou county in this House in the Liberal interest, found out about that is more than I can tell. Suffice it to say that on the same date he wrote a letter to the then Minister of Labour, the present leader of the Opposition, in which he said:

> Let me congratulate you upon the fact that you were not troubled with an election and that you have got into the saddle without very much trouble.

It was hinted at that time that the congratulation was not altogether sincere; Mr. Macdonald was very much disappointed, I understand, that he did not get that portfolio. However, the letter went on to say:

> I have just been talking on the phone with our mutual friend Alex. Johnston, and our joint opinion with regard to the situation in Sydney is that at the present stage it is not wise or prudent for you to come down or take part in the situation. There was a rumour in Sydney that you were to be asked to come

down, and I am writing as a result of my interview with Johnston, to say that I think for the present that you should not come down. We will advise you a little later in the matter.

Now, that appears to me, offhand, to be a little bit more on the side of Liberalism than on the side of the labouring men; it was the Liberal party's interests, not the labouring men's interests, that were being considered. Mr. Alex. Johnston, then the member for South Cape Breton, and Mr. E. M. Macdonald, then the Liberal representative for Pictou county, who at the same time held a retainer from the Dominion Coal Company—these gentlemen went into solemn conclave and advised the Minister of Labour as to what it was wise for him to do—no doubt from a political viewpoint. Matters went on; letters passed to and fro, until finally Mr. Macdonald wrote along somewhat—

Mr. McKENZIE: I presume the hon. member knows that he is reading a letter which was stolen—taken from the files.

Mr. BUTTS: I do not care whether it was stolen or not.

Mr. McKENZIE: I believe that.

Mr. BUTTS: I did not steal it. My hon. friend can see that I am reading from Hansard, not from a letter at all.

Mr. McKENZIE: My hon. friend is quite welcome to all the capital he can make of it.

Mr. DEPUTY SPEAKER: Order.

Mr. BUTTS: Whether I am welcome or not, I am going to have it. Mr. Macdonald then writes to the Minister of Labour, the present leader of the Opposition, as follows:

> The strike situation in Nova Scotia has been summarized in this way, that in Inverness the strike practically does not exist. There are some men who are not working, but these men are not necessary to the adequate operation of the mines. In the Dominion Coal Company's works, from which I have just returned, the company are rapidly increasing their output, and the men are only being kept out on strike, at least a great portion of them, by the actual stories which the resources of the United Mine Workers' people supply to them, of the fact that the company are going to settle and various reasons are given for this from week to week. I do not doubt at all that the company will be successful there, and there may be a break very shortly.

There is no doubt in the world that Mr. Macdonald took it for granted that there was reassuring evidence that the company was going to win out and that the labouring men were going to be defeated in the strike. The letter continues:

> I think that the men will eventually realize that the company will not on any terms settle their compromise. The Springhill situation is one I am not advised about and is really very serious. The situation at Inverness and the action of the United Mine Workers is a direct and absolute defiance of the provisions of the Conciliation Act, and I think it would be a great mistake if the department itself—not the company or any outside party or person—did not proceed against the United Mine Workers people who came out on strike in disregard of that Act. I notice by the press that inquiries are being made by the department with reference to the circumstances, and I am quite sure that you will find the facts to be that the strike is one which is in contravention to the Act. And can assure you of my fullest support in so doing if you should arrange to have these proceedings initiated. It seems to me that the effect of the department proceeding against this infraction of their own law would be a very good move in Nova Scotia.

He continues:

> At the present time public opinion is strongly against the strikers and against every one who is connected with them, and there is no question about their desire to have the matter speedily dealt with by a strong hand. In the event of your taking any proceedings, I would suggest that the matter be put in the hands of some recognized lawyer of ability, such as Mr. Roscoe, of Kentville, who has been acting for the Militia Department and making some investigations in that matter. I should be very glad to hear from you in regard to this matter.

It would appear from the entire correspondence—it is rather lengthy, and I do not wish to weary the House by reading it—that the Labour Department in that strike was being advised by the solicitor of the Dominion Coal Company, Mr. E. M. Macdonald, who was then a member of Parliament, representing Pictou county in this House. There were prosecutions down there. But let me call this one fact—and it is a fact—to the attention of the House. Not only were there prosecutions; but before there was any overt act, before there was anything that showed sign or semblance of disorder in the entire community, a large detachment of soldiers landed there. When I say this, I wish to assure the House that prior to the time that those soldiers arrived, there was no such thing as a disturbance or a violation of the law in any one particular case. Shortly after the soldiers arrived there, the men were holding a procession, not a military parade or anything like that. They carried no arms; they were peaceful, peaceable, law-abiding men; they had shown no sign of attempting to disturb the serenity of the entire com-

munity; but while is that state of mind those men were parading, a line was drawn and a machine gun was set up before Bridgeport Catholic church and the men were ordered not to pass that line on peril of being fired upon. That was done while the leader of the Opposition (Mr. Mackenzie King) was Minister of Labour. Do you wonder then that I say that the men are not sufficiently bellicose to be at war with this Government because they are already at war with the Opposition and the leaders of the Opposition. They may forgive those things; they are a forgiving people, but they have good memories. I feel very much inclined to believe that before the Opposition in this House can hold out any hopes of winning seats in Cape Breton county at least, they will have to swap horses, even if they do that when crossing the stream.

I have finished pretty nearly all that I intended to say, and the night is getting late. I have only this to say, in conclusion, that I notice down in the "Annex" they seem to be a little bit stronger than those hon. gentlemen in the official Opposition, and it seems strange to me how they are going to affect a union, or anything approaching the marital tie. You have to raise your tariff before you can come up to those protectionists opposite or you have to lure them away with your free-trade theories, and I cannot very well understand how you are going to carry on the negotiations when I consider the fact that not a man in the "Annex" can talk French. I would ask you gentlemen of the "Annex" down there to consider these matters and to see if it is not possible for you—

Mr. DEPUTY SPEAKER: I must remind the hon. member that he should address the Chair.

Mr. BUTTS: I beg your pardon, Sir—to see if it is not possible for them to take the advice of the Prime Minister (Mr. Meighen) the other evening, when he told them to throw away the mask, to come out into the open and to form the union in order that we might possibly have a little bit of jollification before we have an election.

On motion of Mr. Proulx (Prescott) the debate was adjourned.

PRIVATE BILLS

CONSIDERED IN COMMITTEE—THIRD READINGS

Bill No. 137, to amend and consolidate the Acts respecting Quebec Steamship Company.—Mr. Casgrain.

[Mr. Butts.]

Bill No. 43, to incorporate Standard Insurance Company, and recommending that the title be changed to "An Act to incorporate Ensign Insurance Company."—Mr. Mowat.

On motion of Right Hon. Arthur Meighen the House adjourned at 12.06 a.m. Wednesday.

Wednesday, May 18, 1921.

The House met at Three o'clock.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

STEAMSHIPS—GOVERNMENT

Mr. ARMSTRONG (Lambton):

1. What action, if any, has the Government taken towards accepting the recommendations set forth in the final Report of the Royal Commission on the Natural Resources, Trade and Legislation of certain portions of His Majesty's Dominions and presented to both Houses of Parliament by command of His Majesty in March, 1917, showing that it is not desirable that the operations of the steamship companies carrying passengers and freight between the Dominion of Canada and the United Kingdom should remain longer without some measure of Government supervision?

2. Does the Government intend to give effect to this legislation?

3. What action, if any, has the Government taken to assist the Imperial Government in bringing about Government control of ocean carriers doing business (or from time to time doing business) between ports in the United Kingdom and ports in the Dominion of Canada?

Right Hon. Sir GEORGE FOSTER: The recommendations referred to have been considered by the Government and the subject matter discussed with other Overseas Premiers and the Premier of Great Britain. An Imperial Shipping Committee was appointed by the British Government in June, 1920, to inquire into and report on all matters connected with ocean freights and facilities and on all matters connected with the development and improvement of sea communications between the different parts of the Empire. On this committee Canada and other Overseas Dominions are represented. This committee has been in session and a preliminary report has been made on ship-owners' liabilities under bills of lading and matters pertaining thereto. This will doubtless be followed by reports on other phases of the subject being investigated by the above-named committee. After this investigation is finished and the reports made, what action, if any, is to be taken by the Government will have to be

determined after the reception and consideration of these reports of the committee.

RETURNED SOLDIER CIVIL SERVANTS

Mr. McDONALD:

1. Have any representations been received from any Civil Service organization on allowing to returned soldiers Civil Servants the statutory increases they would have received had they spent in the Civil Service the period they were on active service overseas?
2. If so, have these representations been given consideration, and by whom?
3. Have any recommendations been made, and is any action to be taken in this matter?

Hon. Sir HENRY DRAYTON:

1. No.
2 and 3. Do not arise.

L. T. MARCIL

Mr. MARCIL (Bonaventure):

1. Referring to question answered on April 25, 1921, concerning settlement made with L. T. Marcil, who was injured on the Canadian Pioneer, will the Canadian Governmet Merchant Marine, Limited, give the name of the Insurance Company and the nature of the settlement arrived at in that case?
2. What was the nature of the injury and was it of a nature to permanently incapacitate this man?
3. What was the amount paid?

Hon. Mr. BALLANTYNE:

1. The Dominion Gresham Guarantee and Casualty Co., 302 St. James Street, Montreal.

Mr. Marcil was referred to that company for any settlement he might be entitled to.

2. Louis Marcil, aged 63, employed as foreman longshoreman, was walking downstairs at No. 1 grain elevator, Montreal, when some one called him. He turned around to see what was wanted, and in doing so fell downstairs and is reported to have sustained internal injury. The department understands the medical evidence submitted in this case indicates the injury slight, but that Marcil has suffered from double hernia for the past forty years and also dyspepsia for the past seven years, which combination is considered to be the cause of his present incapacity.

3. The department is informed that the Dominion Gresham Company settled with Marcil for the sum of $60 in full satisfaction of all claims.

BONUS TO CIVIL SERVANTS

On the Orders of the Day:

Mr. W. D. EULER (North Waterloo): I would like to ask the Government if it has arrived at any decision as to whether the bonus to civil servants will be continued in whole or not?

Right Hon. ARTHUR MEIGHEN (Prime Minister): The decision of the Government in that regard was stated to Parliament many weeks ago; it has not been changed.

Mr. EULER: I thought a hearing was given to a deputation from the Civil Service on the matter, and that the Government was to announce its decision later on.

Mr. MEIGHEN: We have heard a very great deal on the subject but the Government's decision is unchanged.

OLEOMARGARINE RESOLUTION

On the Orders of the Day:

Hon. W. S. FIELDING (Shelburne and Queen's): I would like to draw the attention of the Prime Minister to an item which has been standing on the Order Paper for two and a half months, notice of a resolution to continue the privilege of manufacturing and dealing in oleomargarine. I desire to know whether it is the intention of the Government to proceed with the measure?

Mr. MEIGHEN: Yes, it is.

VICTORIA DAY

On the Orders of the Day:

Mr. W. F. KAY (Missisquoi): I would like to ask the Prime Minister whether it is intended that the House shall sit on the 24th of May?

Mr. MEIGHEN: It is not usual for the House to sit on the 24th of May, but there may be circumstances that would make it wise to do so this year. I would be glad to hear the opinion of hon. members in general.

THE BUDGET

DEBATE CONTINUED ON THE ANNUAL STATEMENT PRESENTED BY THE MINISTER OF FINANCE

The House resumed from Tuesday, May 17, the debate on the motion of Hon. Sir Henry Drayton (Minister of Finance), that Mr. Speaker do now leave the Chair for the House to go into Committee of Ways and Means, and the proposed amendment thereto of Hon. W. S. Fielding:

Mr. DUNCAN CAMPBELL ROSS (West Middlesex): Mr. Speaker, it is not my intention to make any extended remarks in regard to the Budget which the Min-

ister of Finance has brought down. In a general way I would like to observe that the Budget, as I see it, is not going to bring any relief to the great consuming masses of the people of this country but will place additional burdens on their backs. I had hoped that the Government would have undertaken some revision of the tariff which would have resulted in a reduction of the taxation levied on the necessities of life, which cost so large a proportion of the income, not only of the labouring and farming classes, but also of those who form what may be called the middle classes of society. However, we have been disappointed in this regard notwithstanding the many promises made throughout the country by the Government and its supporters.

Permit me to say that we are faced at the present time with a very difficult situation indeed, and one which is bound to have a very prejudicial affect upon the country, more particularly in the matter of agricultural production. It is not my intention to review at great length the events of 1911, but I think it is recognized to-day —not only by this House but by the people generally—that had the reciprocity pact of that year been accepted by this country it would have been one of the greatest booms that Canada ever enjoyed. That has been proved, to some extent, by the action of the Government itself, which, although it helped to repudiate reciprocity in 1911, subsequently adopted some of its important provisions. The removal by the United States of the duties on cattle, sheep and hogs, resulted in the live stock industry in this country making very great strides. In the western part of the province of Ontario the cattle, sheep and hog industry was greatly helped by the taking down of the tariff barriers; but the prospect of a reimposition of those duties has caused in the minds of our farmers a feeling of perturbation; they do not know exactly where they are going to find markets if the tariff barriers are raised again, and they are most anxious that they should continue to enjoy the benefits which they have experienced partially but which they would have had in toto had the reciprocity agreement been accepted by Canada. I hope it is not too late for measures to be taken looking to that end. What is proposed at Washington is only a temporary tariff, and it would be well to enter into negotiations with the Government there to see whether some arrangement cannot be entered into whereby we might have trade relations which would be to the benefit of both countries. I do not mean by that that we should go hat in hand and ask in a pleading or humiliating way for concessions on the part of the United States administration. But we have things they want and they have things which we need, and if we can enter into any arrangement for commercial intercourse on mutually advantageous terms, it would be of the greatest possible benefit to the live stock industry of this country. As I say, the Fordney Bill is only a temporary measure. These two countries are peculiarly situated, they are neighbours for three or four thousand miles, and it is to be hoped that their long-standing friendly relations will never be interrupted. So I think the time is probably overripe—it is ripe, anyway—for the Government to take some action with a view to restoring to our cattle raisers the benefits of the American market which they have hitherto enjoyed.

If the Government do not think well to take such action, they must provide another outlet for our cattle, and I would suggest to the Prime Minister that during his visit to the Old Country—and I wish him all good fortune in the undertaking—he should attempt in a reasonable businesslike way, without meddling in their domestic affairs, to impress upon the British Government the mutual benefit of doing away with the embargo on our cattle. The matter has already been taken up with the British authorities, but coming from the Prime Minister the prestige of his position would give added weight to his representations, and I am sure he would succeed in inducing the British people to see that justice is done to our cattle raisers. There can be no doubt that the so-called facts which induced the British Government to impose that embargo do not now, and in fact never did, exist, and its removal would confer a two-fold benefit, it would provide an outlet for our cattle, and at the same time it would enable the British people to get cheaper meat.

This debate, Mr. Speaker, has wandered pretty far afield, but throughout its course I have noticed that the Government seem to be very much bothered about us on this side of the House. Even the Prime Minister thinks we are getting into difficulties, and he would like to make it appear that we and our friends to the left are about to enter into an unholy alliance, and are intent on taking down the tariff barriers that now surround the country. He charges us with inconsistency and, in common with some of his supporters, seems to

be very solicitous in regard to the attitude which my hon. friends on this side have taken. He seems so very solicitous that really I cannot understand his anxiety. He is bothered about the hon. member for North Waterloo (Mr. Euler) and is afraid that he will not retain his seat. That is a rather kindly solicitude coming from the Prime Minister for an hon. member who is opposed to him.

Mr. McMASTER: Crocodile tears.

Mr. ROSS: Yes, crocodile tears. He seems to be bothered about my hon. friend from Montreal (Mr. Rinfret) also, and about my hon. friend from West Peterborough (Mr. Gordon). He seems to think that we are not sincere, and he presumes to admonish us in regard to our sincerity and consistency. With all respect to the right hon. gentleman, I would tell him that it would be well for him to scrutinize some of his own supporters. He would probably find then that he had his hands full, and he might have some tremors as to just what line some of them would take on a protection motion. For my own part, I do not see how my hon. friend from Macdonald (Mr. Henders) can, consistently stick to the Prime Minister on this occasion; nor can I see how my hon. friend from Swift Current (Mr. Argue) can follow the Prime Minister in view of the statements he has made in times past as to the trade policy that this country should adopt; nor do I see how my hon. and gallant friend from Skeena (Mr. Peck) can support the Prime Minister, if he is to be consistent with former declarations made on the platform and in this House. But I may come closer to the Prime Minister, to members of his own cabinet. I have very grave doubts—rather I have not any doubts—if he wishes to be consistent, in regard to the attitude of the Minister of Militia and Defence (Mr. Guthrie) on this amendment.

The right hon. Prime Minister last week made a very long and clever speech, but it was not the best that I have heard him deliver in this House. At times I was surprised at his lack of logic, remembering his peculiarly subtle mind, and it seemed to me that he forgot that vituperation is not argument, nor is declamation logic. There is a principle in the British constitution that there should be solidarity in the cabinet, and, looking at the past history of the hon. Minister of Militia and Defence, I really cannot see how he can refuse to support the amendment moved by the hon. member for Shelburne and Queen's. It is only seven short years ago that he was one in the fighting phalanx on this side of the House. He carried the banner of Liberalism particularly high, and especially the banner of tariff reform as espoused by the Liberal party in this House and in the country. I have heard him on more than one occasion declaiming for the benefits of free agricultural implements, for a lower tariff all round, for assistance to the great consuming masses, and I have heard him rail at the Manufacturers' Association in no uncertain tones. But now the scene is changed. The attainment of power and his new environment seem to have made him another man. Contrasting his political past with his political present he seems to be a sort of political Dr. Jekyll and Mr. Hyde in regard to the tariff policy. Not so very long ago he indulged in this House in quite a tirade against my hon. friends to my left. And in passing I would like to compliment their leader, the hon. member for Marquette (Mr. Crerar) on his speech of yesterday, which I think is one of the best I have ever heard in this House. The Minister of Militia was gibing the farmers with not being loyal to the industries of this country, and consequently, I presume, not loyal to Canada herself. He intimated that they did not want to buy Canadian made goods, but prefered American, and he thought that was an outrageous policy for them to pursue. Now, what has been the policy of the Minister of Militia? As long as I have known him, until this sudden change, he had been a consistent supporter of the principles of the Liberal party. Let us look at his political history for a few moments, and while in doing this I may be adding to the material which has already been put on Hansard by the hon. member for West Lambton (Mr. Pardee), I think it well to do so, to show just how far there can be solidarity in this cabinet in regard to tariff policy. The Minister of Militia, speaking in this House on March 1st, as reported on page 443 of Hansard, used this language:

> But what is this organization doing? What is the party supported by the hon. member for Red Deer (Mr. M. Clark) doing to-day? Look at the millions upon millions of dollars that are going out of this country every year—

Mr. DEPUTY SPEAKER: I must point out to the hon. member that it is a part of the unwritten law of parliament that a member, in speaking, cannot refer to anything said or done in a previous debate

during the same session and that he is not in order in quoting from a previous debate.

Mr. ROSS: Well, Mr. Speaker, I bow to your ruling. But I may point out that the hon. minister, after indulging in this tirade against the farmers, intimated that the removal of the duty on farm implements would result in the destruction of all implement manufacturing industries in this country, and that it would make valueless all the capital invested in them. He said that the manufacturers would lose everything they had put into those industries; that the Americans would come here and steal our market; that Canadian labour would not be used, and that our money would be spent in buying American goods. I am sorry that I cannot quote his exact words, but I think that is just about what he said; I am sure he will not deny it. Now, in March, 1914, a motion was made by Mr. Knowles, then a member of the House, to put agricultural implements on the free list, and in the course of the debate on that motion the Minister of Militia made another very positive speech. He generally makes positive speeches and sometimes issues challenges to hon. gentlemen holding different views; in this case his remarks were just as positive as usual. To-day he is absolutely opposed to the admission of agricultural implements free of duty, on the ground that it would be unpatriotic. Well, I do not see anything in the condition of the country at the present time to make any difference between what would be unpatriotic now and what was unpatriotic in 1914. Here is what the present Minister of Militia said in 1914:

> There is only one thing left for him to do—
>
> Referring to the Prime Minister.
>
> —and that is to reduce the tariff on agricultural implements to a minimum. In my view, that will not be as satisfactory as the complete abolition of the duties upon agricultural implements. But from the statement of the Prime Minister at six o'clock, his followers from the western provinces who represent agricultural constituencies, and his followers from the province of Ontario who represent the Wellingtons, the Dufferins, the Oxfords and the Waterloos, can tell their constituents that the great boon of free agricultural implements has been denied to them this day by the Prime Minister of Canada, who is the mouthpiece of the Government.

These were the words used by the present Minister of Militia on March 11, 1914, in this House. At that time he was not Minister of Militia; he was the great tribune of the people. He went on to say:

> I rose on this occasion chiefly because I think that some member from the province of Ontario should interject some remarks into this debate to show that the demand for agricultural implements is by no means limited to the western provinces of Canada. The riding which I have the honour to represent in this House is about equally made up of urban and of rural inhabitants. I am satisfied that, irrespective of party, the people engaged in agriculture in the county of Wellington, north or south, would hold up both hands for the boon of free agricultural implements.

When my hon. friend goes back to his constituency some time in the course of a year or two, what will the people of North and South Wellington say to him in regard to this volte-face in the matter of free agricultural implements—a condition necessary to the proper carrying on of agricultural work by his farmer friends? The hon. gentleman went on to say:

> From the Atlantic to the Pacific, the demand is as broad as is the country. I then ask the Government: Why not accede to a demand of that kind when your revenue is going to suffer so little and when no Canadian industry is going to be injured?

In 1914 the hon. gentleman referred to this question as a very grave one. In 1921, speaking on this very same "grave question," he contends in all seriousness that if we have free agricultural implements all the agricultural implement industries of this country will be wiped out. In 1914 he said:

> I then ask the Government: Why not accede to a demand of that kind when your revenue is going to suffer so little and when no Canadian industry is going to be injured?

The hon. gentleman at that time was even more ardent in his support of the motion than its sponsor, Mr. Knowles. It is generally understood that agricultural implements cover only such articles as mowers, reapers, and a few other things; their number is not large so far as the tariff schedules are concerned. But in 1914, in the speech to which I have been referring, the hon. gentleman went on to say:

> I, for one, believe that of all the industries in Canada the agricultural implement industry is the one now best able to stand without the support of any customs tariff at all. I made a little list of twenty-five articles which are generally and properly considered agricultural implements. I know that some hon. members in referring to agricultural implements include only reapers, mowers, binders and a few other articles, but I cannot see why the list should not be much more extended.

So the hon. gentleman at that time wanted to extend the application of the

term "agricultural implements" to some twenty-five different articles and have them all made free of duty. He promised to give a list of these articles in response to a question put by Mr. Sharpe, but I do not see that the list was ever given. So there we have some of the history of the hon. gentleman so far as his stand on this very important question of agricultural implements is concerned.

But that was not the latest stand which he took on the subject prior to this year. Even as late as 1917 his conversion had not been effected; he was still in favour of free agricultural implements. In 1917 a motion was moved in this House by Hon. Frank Oliver, of which the following is a part:

That in the opinion of this House it would be in the public interest if the Customs Tariff Act were so amended as to provide:

1. That wheat, wheat flour, and all other products of wheat be placed upon the free list.
2. That farm implements and machinery, farm tractors, mining, flour and saw-mill machinery, and repairs for same, rough and partly dressed lumber, illuminating, lubricating and fuel oils, cement and fertilizers be added to the free list.

The hon. Minister of Militia expressed his approval of that policy. There seems, therefore, to be a good deal of inconsistency and considerable lack of harmony on the tariff question, even among the followers of my right hon. friend (Mr. Meighen). He had better look after his own house and not bother about hon. gentlemen on this side.

As I have said, the Minister of Militia has always been one of the greatest opponents in this House of the principle of protection. We can find this out by looking through the old debates—and they are very interesting—when the minister makes statements in regard to the tariff policy of this country. He says to-day—at least I presume he does, because I suppose he is following his leader, as this is a very important matter and the Cabinet should be of one mind in regard to it—that he and his Government are in favour of the principle of protection. That is not what he used to say. In the olden days, if I remember aright, the Minister of Militia was in favour of a revenue tariff, but to-day he is going further; he wants to help the privileged classes; he is more closely associated with the Manufacturers' Association or, at any rate, more friendly to them, and he has abandoned those clients and friends of his of the olden days, the great consuming masses and the farmers of his riding.

What did he say in 1911-12 in regard to this question. At that time there was before the House a very important measure, introduced, I think, by the then Prime Minister, to establish a permanent tariff commission in this country. The present Minister of Militia was not in favour of that measure, and on the second reading of the Bill providing for the establishment of a permanent tariff commission the minister made certain observations. I want to dwell upon this point because it shows such a complete change of heart on the part of the minister. All through these speeches of his he has been referring to the burden that the tariff will place on the great consuming masses, on labour and so on, but to-day he seems to have forgotten these people entirely. At page 2602 of Volume II of Hansard of 1911-12, the present Minister of Militia spoke as follows:

But apart from the Canadian Manufacturers' Association, has any call come from any other section of the country?

That is, for the appointment of a permanent tariff commission.

I ask my hon. friend the Minister of Finance: Have any agricultural societies in Canada asked for the establishment of a permanent tariff commission? Have any of the dairymen's associations—

In those days he was looking after the different associations connected with agriculture and the raising of live stock.

—any of the live stock associations, swine breeders' or sheep breeders' associations, any western associations, the Grain Growers' Association, the Dominion Grange—have any of these men asked for it? Have any of the great consuming classes asked for such a measure?

That was the position of the Minister of Militia in 1911-12. He was the protector of the consuming masses, of the grain growers, the sheep breeders, the swine breeders, and he had a little soft spot in his heart even for his present enemies across the way. That was not all that he said at that time. At page 2603 of the same volume of Hansard he used these words:

It does, Sir, seem to me a strange thing that the first important official act, the first act, at all events, of any consequence or any magnitude, performed by the Minister of Finance in this House since his appointment to that high position a few monthes ago, should be the introduction of a Bill to establish a permanent tariff commission in Canada, a Bill which, on his own statement, both in form and in substance, I think I am safe in saying, is practically borrowed from the highest protectionist country in the world, from the United States of America. It is a strange comment, a strange sequel, upon events which happened just about a year ago in Massey Hall, Toronto, at a tremendous gathering called by so-called Liberals to protest

against the proposed reciprocity agreement with the United States.

They were "so-called Liberals" because they did not believe in reciprocity. I suppose, as regards others who believed in those days in reciprocity, in greater freedom of trade, free farm implements and a number of other things, and who do not do so now, it would not be kind to call them "so-called Liberals"—they have become hard-shell Tories, pure and simple. A little further on the minister went on to say, speaking of the Minister of Finance of that day:

He will remember, as I do, that one member of the House of Representatives said: I support this Bill because it is the best way to sustain the glorious doctrine of protection.

Thus showing that he himself was bitterly opposed to that "glorious doctrine" of protection, which he is espousing so bravely and loyally to-day. A little further on he used these words:

A tariff commission board seems to be a necessary adjunct to the high protective system, and I do not think I am going one jot beyond the truth when I say that this Bill is brought in here—almost the first important Bill of the first session of this Parliament—as a quid pro quo for the Canadian Manufacturers' Association to redeem the promises made to them for their generous and lavish support during the election on September 21 last.

I wonder if one can apply those words to-day. I wonder if this stand as regards protection is not another bid from hon. gentlemen on the opposite side of the House to get the Canadian manufacturers and the big interests of this country to back them again as they did in 1911, and by misrepresentations about various things sweep them again into power. It looks very much as if this were a duplication of their effort of 1911; but I prophesy that you cannot fool the people all the time, and failure will confront my hon. friends whenever the election day comes. A little further on the hon. gentleman used these words:

Is that not plain enough? Do the people not believe that the Government's proposal means that the Board of Tariff Commissioners shall, from time to time, make reports upon which this Government will act, and that these reports, in the very nature of things, will be in the interest of higher duties or greater protection to the industries of Canada,—or, in the words of the Prime Minister, will be designed to give the industries of Canada more than a fair chance? If they give them more than a fair chance, somebody is going to suffer. It is at the expense of somebody else.

At whose expense is it to be? Certainly, at the expense of the great consuming masses of this country.

[Mr. Ross.]

That is a clear admission that, by the Government's adherence to a policy of protection, to which at that time my hon. friend did not adhere, the great masses of the people were going to be injured. A little further on he made use of these words:

The fact, therefore, is that we are going to have three permanent tariff commissioners, a board just as permanently appointed as a bench of judges is appointed; and that the qualification is that they shall be loyal subjects and followers of the right hon. gentleman who is now Prime Minister of Canada. They are to be Conservatives first, last, and all the time, and if they are, they have also got to be protectionists and high protectionists. We may make up our minds to it that we are going to have a board made up of individuals who rightly or wrongly hold opinions in favour of a highly protective system in this Dominion.

Mr. Blain: Is not my hon. friend (Mr. Guthrie) a protectionist himself?

Mr. Guthrie: I believe in a certain amount of protection; a tariff for revenue. A tariff for revenue affords enough protection in my community and in my opinion it is sufficient.

Later on, in the course of that address, the hon. member spoke of his being in favour of a revenue tariff. Consequently, as late as 1912, my hon. friend was not in favour of the protective principle except as far as there was incidental protection in a revenue tariff. Further on he says:

My own opinion is that, while it may fall somewhat short of the ideal of the Canadian Manufacturers' Association, it is a perfect "lemon" for the farmers and workers of Canada.

That is the establishment of a tariff commission which meant "protection" as he said.

They will be fooled and hoodwinked by such a measure. They have a right, I believe, to look for better treatment at the hands of the right hon. Prime Minister.

The hon. member then moved the six months' hoist. All this was a struggle to prevent protection from becoming a factor in the tariff policy of this country. The whole political policy of the Minister of Militia up to a session or so ago when he joined this Government, has been to tear down the tariff walls around this country and make trade freer. But a wonderful change has come over the hon. gentleman since he entered this Government and became Minister of Militia.

Just at this point I would like to touch on some criticisms that the Minister of Militia has made on the attitude we on this side of the House have taken with regard to certain of his Estimates. My hon. friend from Kent (Mr. McCoig)

moved that the vote of $1,500,000 in the minister's Estimates for annual drill should be cut in two. The Minister of Militia took great exception to that, and in a very eloquent peroration tried to leave the impression on the country that we on this side of the House were not friendly to the boys in the trenches, but were endeavouring to make them do their duty twice; it was suggested that we had not their interests at heart. Now I presume it is known to this House and to the country that just as many Liberals and sons of Liberals died on the fields of France and Flanders as Conservatives and the sons of Conservatives. The suggestion that was made from this side of the House to cut that vote in two was made solely in the interests of economy. It was a good suggestion, and I heartily approved of it. I think the minister's argument on that occasion destroyed itself, because he said: Unless we do the thing properly, we might as well save the money. Now, if any boy can get much benefit by taking six days' drill, I will have to be shown something more than I know at present of the drills that have taken place in this country from year to year.

But that is not altogether the point. Our argument was this: In 1921 Canada is in a different position from what she has been in for many a year. The war is over; peace is established, and, we believe, firmly established. Not so very long ago I had the pleasure of listening to one of the Prime Ministers of the greatest self-governing dominions, and he said that he did not believe we would have another war in this generation. So we have come back to a peace basis, and we do not need to be looking for trouble and spending money on military matters to the extent we did in the past. It is not as if we were in Europe, with an armed camp all around us. We are isolated here in Canada. We are not unfriendly with the country to the south of us. We are a peaceable people, and we desire peace, and on grounds of economy alone, if for no other reason, I believe it would be wise for us to save this money we are expending on military matters, and use it for expanding our trade, and in other more profitable ways that will readily suggest themselves to the minds of all hon. members.

What attitude did the present Minister of Militia take in regard to a similar vote in this House in 1914? The Minister of Militia of that day, now the hon. member for Victoria (Sir Sam Hughes) had an item in his Estimates of $2,000,000 for annual training. My hon. friend the present Minister of Militia seemed at that time to be the critic of militia Estimates, and he was very much in favour of reducing this item of $2,000,000 for military training; so much so, that he thought it would be a good argument to back up his position by referring to the past record of the gentlemen with whom he is now associated, and he went back to the time when my hon. friend who is now Minister of Trade and Commerce Sir George Foster) was Minister of Finance, and pointed out what he did under similar circumstances. Then he went on to advocate that military drill should be cut out on grounds of economy. I will give you his exact words:

> On their face these Estimates are wrong. There is a statement that there is less spent this year than last. I remember in the old days of the Conservative party, prior to 1896. That was a year very much like this. There was a falling revenue and an increasing expenditure. Times were hard and unemployment was general throughout the land. How did the hon. Minister of Trade and Commerce (Mr. Foster) who was then Minister of Finance, face the situation? Did he increase the military expenditure? No. he did not send the men out to drill that year and he saved between $600,000 and $700,000 to the people of Canada by one stroke of the pen. A similar situation confronts us to-day—a falling revenue, a rising expenditure and the militia expenditure, of all others, rising faster in proportion than the expenditure of any other department of the Government.

Further on he said:

> Look at the other requirements of Canada calling for our attention to-day.

I contend that here we have an absolute confirmation of the rightfulness of the position we have taken with regard to the proposed expenditure on drill. The conditions are even worse to-day; our revenues are falling, hard times are upon us, unemployment is general throughout the country; and if there is one thing that this Government needs to study at the present time it is economy. I submit that the position taken by the Minister of Militia in this House this session with regard to this item for drill was absolutely out of accord with the position he took in 1914.

In the year 1912 also the present Minister of Militia was desirous of reducing other military Estimates. He even went so far, as you will see by page 6452, Volume 4, of the Debates of 1912-13, as to say in reply to the suggestion of the hon. member for Beauce (Mr. Beland) for a naval holiday:

> Yes, and take a holiday in naval matters, and go forward with this Bank Act and the private

legislation and the other pressing measures which are before the country and which have been held up by the Government.

So in those days when my hon. friend was on this side of the House he was a great champion of reduction in military expenditures. I say that our attitude is much more justified at this time by the situation in which this country finds itself to-day.

I shall not detain the House much longer, as I have already spoken longer than I had intended. There is just one thing further that I wish to say. There seems to be on the other side of the House a great deal of fear among many hon. members who have spoken as to the attitude of hon. members of the Progressive party. That fear seems to pervade the mind and heart not only of the Prime Minister (Mr. Meighen) but of the hon. member for Regina (Mr. Cowan), the hon. member for Frontenac (Mr. Edwards) and quite a few other hon. gentlemen opposite. There seems to be some suspicion in their minds that the Progressive elements in this country might form an alliance; that our friends to my left at some time in the future, either before or after the election, might join with us in endeavouring to give good government to this country. I do not know that that is such a horrible prospect to contemplate. I do not know that such an alliance would strike terror into the hearts of the people. I do not know but that worse things might happen to this country. Which would be the better for this country—a union or alliance of the moderating wisdom of experienced Liberalism with the progressive ideals of ardent and advanced agrarianism, or an alliance of decrepit, decayed, and moribund Toryism with the selfish, reactionary ideals of the Canadian Manufacturers' Association? It seems to me that the former are pretty vigorous parents, and that they would breed a pretty sound offspring. I think that they would do in Canada what was done in 1896; they would bring prosperity, progress and contentment to the masses of the people, and they would bring flourishing industries into Canada and make this country a great nation. On the other hand, our friends opposite, by the alliance which apparently they desire to make, could only bring forth an offspring that would mean a continuation of special privilege in this country and that would not make for the contentment of the masses, but would rather, on the contrary, impose upon them, in the future, the taxation they have had to bear in the past. My hon. friends, by that alliance, would do nothing to promote flourishing business; they would simply bring stagnation to business and trade, and instead of building up a great nation, they would help to reduce this promising country to the stature of a dwarf nation. I do not care whether or not this alliance is consummated between the Agrarians and this party; but I do say, Mr. Speaker, that after the next Parliament, it is my belief that either a union of these two great vitalizing elements in this country will go forward to carry out the policy enunciated in the amendment moved by the hon. member for Shelburne and Queen's (Mr. Fielding), or, if they do not unite to prosecute that policy, then there will be in Parliament either an Agrarian party, or a Liberal party which will carry out this policy and build up the country, making it more happy and prosperous than it is at present, or than it could otherwise hope to be.

Mr. W. H. WHITE (Victoria, Alta.): I did not expect that I should be called upon so suddenly to take part in the debate. I had not thought it possible that I should have to follow immediately an hon. member on this side of the House; I had no idea that our friends across the way had contemplated so early a surrender. My reason for not contributing to the debate at an earlier stage is the fact that the hon. member for Red Deer (Mr. Clark), one of the twelve members representing the people of Alberta in this House, is usually accorded the right to precede those members in an important debate such as this, in view of his eloquence and his knowledge of economic affairs. I had been waiting for some hon. member from my province to get up and in some measure endeavour to make an argument against the views advanced by the hon. member for Red Deer, but so far not one of them has accepted the challenge.

We know, Mr. Speaker, that in Canada to-day things are not what they were a few years ago; things are on the retrograde rather than progressive in Alberta, as in other parts of the Dominion. But one would imagine, from the silence of the representatives of that province, that we were back in the year 1896 when there was only one representative for the whole province of Alberta—although, let me say, he was some representative. Nothing ever transpired in reference to his province on which he did not have something to say; I suppose it is hardly necessary for me to state that I refer to Hon. Frank Oliver. But

4 p.m.

Mr. Speaker, I do not know that even at that time, away back in 1896, we were not about as well represented in Parliament as we have ever been since. We had then one energetic and active man to take care of our interests. If things were in a prosperous state, or if we had some reasonable ground for hope that conditions would be bettered by the administration of this Government we could excuse the inactivity of hon. gentlemen who sit behind them. I may say, in passing, that I am a pretty old resident of that province, having spent some forty years there, and during all that time—and my experineces were rather hard in the early eighties—I do not believe that the people ever had to struggle as hard to make ends meet as at the present time. It was surprising to those who came at a later date and were able to prosper in that province to be told of the hard times which we had experienced in the old days; they thought we were telling them a tale in which there was more romance than truth. But they are beginning to realize, as we did, what real hard times mean, and what it is to have a Tory Government in power. Hon. gentlemen opposite may say that difficult conditions to-day are not peculiar to Canada, but are world-wide; but I contend that with a proper government we should still be able to carry on. The Government has tampered with everything. They have tampered with the administration of lands., tampered with the regulations in regard to oils, tampered with the development of our country, and tampered with the oil and mining leases, until to-day no investor has courage enough to come in and take a chance. Day after day I have received letters of complaint from various classes of people; sometimes from farmers, sometimes from men interested in mining rights, sometimes from men interested in coal, and sometimes from timber men; and last, but not least, from oil prospectors. I have rereceived letters, and I have no doubt hon. gentlemen opposite from that province have also received like letters, condemning the Government for every change and amendment they have made in the mining regulations. I have one particular letter which I will not read in full, but I may read a resolution which was passed by a meeting of citizens on this subject. The resolution is as follows:

We, therefore, submit the following resolutions:

1. There should be no Government reservations at the present time in the North West Territories. Should the Government adhere to the idea of a reserve, then the lessee should have the prior rights to such reservations, upon payment of what royalty the Government demand.

2. There should be no burdensome money payments required during development or before marketing of the oil becomes possible.

3. The Government should rely mainly upon royalties for control of petroleum production, rather than upon rentals and reservations.

4. Canada's present dependence upon foreign oil supply, and her unfavourable trade balance, suggest and require that every possible assistance and encouragement should be given to the business of developing our own oil resources.

5. The best encouragement that the Government can offer at the present time is the adopting of a set of fixed regulations that cannot be altered except by Act of Parliament.

6. The Government should so frame its petroleum policy as to offer every possible encouragement to foreign capital to come to Canada.

7. The Government would be well advised in appointing a Commission for the purpose of investigating the difficulties and practical possibilities of the MacKenzie River Basin Oil Fields; one of such Commission should be from Alberta and familiar with the geographic, climatic and transport difficulties of the North; in the interim, pending the Commission's report, the more onerous restrictions should be amended so that there will be no interference with development work going on this year.

Now let me read a further communication on this subject:

A large number of men of the city of Edmonton, who are conversant with all the development that has taken place in Western Canada, and who are looking forward anxiously to the opening up and development of Canada's Natural Resources, beg to submit for your consideration the following observations re the issue of Oil and Gas Permits and Leases in the North-West Territories:

1. Although capital prefers specific contracts before investment, no lease will be granted until oil has been actually found. (Section 1 and 22.)

2. Prospecting permits cover a maximum of only four square miles, which is insufficient to warrant the heavy outlays necessary in far Northern fields. (Section 2.)

3. Prospecting permits lapse and revert to the Government without notice upon casual or clerical defaults, and, in any event, at the end of four years, whether drilling is still proceeding or not. (Sections 16, 19 and 21.)

4. A lease will be granted for only one-quarter of the area secured under permit. The balance becomes Crown reserve. (Section 23.)

5. A separate drill must be set to work upon every permit acquired or held by each and every owner. This is a physical impossibility. Transportation into the North Country is limited by climatic conditions to 12 weeks. E.G., it took 27 days for the Imperial Oil, Limited, utilizing every possible resource of men and of money, at a time when there was no congestion of traffic, to transport one drill outfit over Smith Portage. (Section 15.)

6. Rental charges must always be paid, and vigorous pumping of oil must continue at all times whether facilities for delivery of oil to a market are available or not. The only alternative is wastefully to pump into open pits. (Section 46.)

It does not matter what a man's calling may be—whether he is engaged in farm-

ing, mining, or anything else—it is difficult for him to do business in that country owing to the hampering and restrictive effect of the Government regulations.

Mr. DOUGLAS (Strathcona): Will the hon. gentleman give the name of the writer of the letter?

Mr. WHITE: It is signed by Mr. H. L. McInnes, who for many years was president of the Conservative Association at Edmonton. I have no doubt my hon. friend knows him very well.

Mr. DOUGLAS (Strathcona): Is the hon. gentleman aware that changes have been made in the regulations in the direction asked for?

Mr. WHITE: I am very glad if that is the case. It may have the effect of awakening the Government to the necessity of making further changes in the regulations.

I now wish to draw attention to the necessity of providing adequate transportation facilities in the West. The impression exists very generally in the East that the railroads in the West were built solely for the benefit of the western people. The fact is that most of the existing roads were built before there were any settlers in the West to speak of, the number located there at that time was very few. As I said a few moments ago, as late as 1896, when a considerable number of railroads had been built, there was only one representative in this Parliament from the province of Alberta, and, I think, two from the province of Saskatchewan. These railways were built at the instance of the eastern people who should assume the responsibility therefor to as great an extent as the people of the West—western people should not be called upon to bear the entire burden. Let me point out to hon. gentlemen the extent to which increased rates on transportation facilities bears more heavily on the West than on the East. There are districts in the province of Alberta where the grain has to be marketed at a distance of approximately one thousand miles from the place of production. On the other hand, in the province of Ontario the farmer's market is not at a greater distance, probably, than fifty miles. In the West we have to pay railway rates on a thousand-mile journey, whereas in the East the railway rate only applies to a fifty-mile journey. The result of such heavy railway freight rates was demonstrated the other day by one of the members of the Agrarian party, I think the hon. member for Mackenzie (Mr. Reid) who showed that on a shipment of a carload of oats the producer received nothing and in addition had to pay $38 to make up the charges of the commission merchant. Whatever the reasons may be, that is the situation we are up against in the West—we have a large crop but we have no markets for it. Does the Government think it a wise thing to maintain high railway rates and render it impossible for producers to get their products to market? Such a policy is undoubtedly limiting production and causing stagnation throughout the country. The facts in regard to the existing situation were fully placed before the Prime Minister when he visited the West last fall. I was asked to head a delegation of people from the districts along the Canadian Northern line who wished to complain to the right hon. gentleman of the existing congestion of grain and their inability to market their crop. The Prime Minister was apprised in advance that the deputation were about to wait on him, a wire being sent to him at Vancouver. When he met the delegation he was quite sympathetic, of course, but was unable to give any answer as to what he might be able to do. The recommendations made to the Prime Minister on that occasion were most comprehensive, the several Boards of Trade along the main line of the Canadian Northern, for a distance of one hundred miles, having drawn up statements explaining the actual conditions. No notice has been taken of those representations, although nearly a year has expired; apparently the Prime Minister has been unable to do anything. Under the circumstances I deem it well to place on Hansard the memorials addressed to the Prime Minister. By a perusal of them it may be possible to take measures to prevent a repetition of the events of last year. The first document I shall read is a memorial addressed to the Prime Minister, which reads as follows:

Edmonton, November 11, 1920.

To the Right Hon. Arthur Meighen,
Prime Minister of Canada.

Sir:—

On November 4, 1920, a convention was held at Vegreville to discuss the matter of a car shortage. At this convention, representatives were present from the various agricultural and business organizations along the line of the Canadian National railway, including the districts served by the towns of Lamont, Chipman, Mundare, Vegreville, Lavoy, Ranfurly, Innisfree, Minburn and Mannville. The territory served by these towns takes in an area running one hundred miles east and west; and fifteen miles south and thirty-five miles north of the Canadian National line, or five thou-

sand square miles of what is recognized as the richest farming lands in Northern Alberta.

A careful survey of the situation was made by the convention and it was estimated (conservatively) that at least 6,210 cars will be required to handle this season's crop. These cars to be distributed as follows:

I wish to call the attention of hon. gentlemen to the fact that this was on November 11, and the threshing had started early in September, or an interval of about three months. Yet, notwithstanding that period of time this was the number of cars received at the different points, and none of these cars were spotted as empties, but were cars that brought in merchandise, so there was actually no special provision made at all for grain shipments:

Station	No. of cars received	No. of cars required
Manville	32	400
Minburn	24	300
Innisfree	29	300
Ranfurly	..	100
Lavoy	12	750
Vegreville	66	1,000
Raith	16	80
Mundare	30	600
Hilliard	..	80
Chipman	..	400
Lamont	45	600
Bruderheim	17	600
Fort Saskatchewan	31	1,000

In view of what is going on every day now in the railway committee, before which the general manager of this railroad has claimed that all that is needed to make our Government railways successful is business, I think it will be plain to everybody that the trouble with the Canadian Northern Railway is that they already have more business than they can attend to. This letter continues:

Up to the time of the convention only 254 cars had been supplied in all to these towns. As a contrast to that, it may be pointed out that at one point, only on the Canadian Pacific Railway immediately south of this district, over 300 cars have been shipped. At this one point, which is only typical of all those served by the Canadian Pacific, the elevators, through being able to market their grain promptly, have been paying 3 cents more per bushel for the different grades and at the same time are obliged to pay a one and one-half cent higher freight rate. It is obvious that the loss to the farmers along the Canadian National Railway is severe, more especially this season when record crops are being threshed. As one familiar with Western conditions, you will appreciate the statement that wheat is turning out from 40 to 60 bushels per acre and oats from 75 to 100 per acre. On all this out-turn, money is being lost and will continue to be lost throughout the entire shipping season, if cars are not provided. Each passing day accentuates the severity of a grain blockade throughout this district, a blockade which cannot fail to be detrimental in every respect.

You will be aware that the severe winter of 1919-20 was the occasion of a feed shortage which forced the farmers to assume heavy financial obligations. To discharge these obligations, they require all that they can realize from this season's operations, and if they cannot ship their grain, it is evident that their financial position cannot be improved. As the district is purely agricultural, it is equally plain that all other business institutions must suffer along with the farmers.

These notes have merely been placed before you as explanatory of formal resolutions duly approved by the convention. The resolutions are as follows:—

Whereas there is imminent danger of a Grain Blockade in the districts served by the towns along the Canadian National Railway, as noted in the explanatory items above mentioned,

And whereas at this date only 254 cars of grain have been shipped from all these points, as contrasted with 300 cars shipped from one point along the Canadian Pacific Railway immediately south of the district,

And whereas a difference of price amounting to 3 cents per bushel more is obtainable at the said C.P.R. point where a higher freight rate is in effect than at the Canadian National points above mentioned,

And whereas the elevators at the said points are already filled and no other storage facilities are available and grain held by farmers is kept in poorly constructed facilities or in some cases left lying exposed to the weather, as farmers could not secure sufficient help to construct proper storage facilities on their farms,

And whereas the feed shortage of the winter 1919-20 made it necessary for farmers to assume heavy financial obligations, which obligations are in many cases yet unfulfilled, and which cannot be fulfilled unless they can market their grain, and the result will inevitably curtail next season's farming operations,

And whereas the district being purely agricultural all other business institutions are dependent on the success of farming operations and if these are hindered or the results thereof lost, a serious stringency will affect such institutions to the possible extent of their enforced closing down.

And whereas when the usual cold winter weather sets in, it will necessitate the use of many more cars for coal transportation, thus further curtailing the number in use for grain shipments,

Therefore, be it resolved that this Convention duly petition the Dominion Government in the interest of Government ownership and operation, to spare no efforts to provide for immediate relief through a much increased supply of cars,

Or, in the alternative, that the Dominion Government devise some method of financing this season's crop until such time as it is possible to market it.

Signed on behalf of the Convention,

W. P. Williams, Con., Lamont.
S. C. Latornell, Pres. Comunity Club Vegreville.
George Arthur, M.D. Chairman, Board of Trade, Lavoy.
J. W. Robinson, Pres. Board of Trade, Innisfree.
D. J. Dickson, Vice-Pres. Delnorte Local U.F.A., Innisfree.
Wm. Park, U.F.A. Minburn.
A. J. B. McLachlan, Pres. Manville Board of Trade.
T. J. Duffy, Reeve of Village of Lavoy.
W. H. Morgan, Sec'y Vegreville Agr. Society.
C. Gordon, Mayor, Vegreville.

I know it is rather wearying to the House to listen to these matters, but as no notice was taken by the Prime Minister when this memorial was presented to him—or at least no results have followed,—I have been asked by some of these gentlemen to place it on Hansard, and at a future date perhaps the Prime Minister or the Minister of Trade and Commerce may have time to study it and see how serious the situation was last year. There has been no relief yet, because the prices are such that they would not pay the freight on this grain, which should have been shipped out last year at the then current prices very much to the benefit of these men.

The tariff question has been handled very well by hon. gentlemen who perhaps know a great deal more about it than I do. My knowledge of tariffs has been confined principally to paying the duties imposed by them. The people of the Western country feel that they are unjustly called upon to pay more than is just, and although not averse to paying their share of the revenue they think that what they do pay is rather a bonus to the manufacturers than a help to the treasury. And it is not only those of the Liberal party who think that. My hon. friend from West Middlesex (Mr. Ross) this afternoon called the attention of the House to the fact that even a prominent member of the Government had formerly each year something to say about the burdens of taxation that the farmers of the East were bearing. The Prime Minister claims that the tariff has not been in any way tampered with, that if there is anything wrong with it the hon. member for Shelburne and Queen's (Mr. Fielding) is responsible, and that the only thing the Government has done to the tariff has been to make it a little lower.

I can remember very well when the Prime Minister, like the Minister of Militia, held very different views. When the Western country was a great deal more prosperous than it is to-day, perhaps in the most prosperous time of its history, in what some people call the "golden days," which reached their summit in 1911—a year that we must refer to as the sunset of Canadian prosperity—my right hon. friend the Prime Minister was not satisfied with the then prevailing conditions and wanted a further reduction in the tariff. Now, a further reduction in the tariff at a time when the farmers were receiving in some cases three times what they are getting now would not seem to be so necessary as a reduction at the present time. In a speech delivered by the present Prime Minister at a time when he was in this House simply as the representative of a western constituency, he gave certain figures. He pointed out that in 1910 the average price of a mower was $44 and the average duty $7.70; that the average price of a binder was $144 and the average duty $19.60; that wagons were worth $90, and the duty on a wagon, therefore, at 25 per cent, would be $2.50. To-day a wagon of the same class is worth $200. The duty has been reduced to 20 per cent, so that with an increase in the price of the article of 100 per cent the farmer has to pay a duty of $40, or half the price of the wagon in those earlier days. As I have indicated, if there was ever a time when the farmers were better able to carry a burden of taxation, it was in those years; yet the Prime Minister thought then that the farmers were being called upon to do something that they were hardly able to do. Speaking of the duties of that day the Prime Minister said:

> What is the reason for all this? If the Government could show that these industries had degenerated from manhood to infancy, that they had got younger instead of older, that the conditions of competition were more onerous then than they are now, that the relative price of labour was higher to-day than it was then—I say the relative price—then there might be some excuse for it.

Some excuse for a duty of $7.70 on a mower and $19.60 on a binder? Well, the duties to-day are double these amounts; the conditions are much worse; yet hon. gentlemen seem to think that the farmers do not need relief. The hon. gentleman said further:

> They have so added to the protection afforded to the manufacturer that it has had the effect almost of driving out importations altogether, and to-day the total revenue which this Government derive, is, as I showed, some $283,633.99, even including the importations of ploughs, and if we leave out that one article the total revenue which this tariff for revenue government has derived from the importations of agricultural implements sinks to the insignificant sum of $92,954.72.

The hon. member for Qu'Appelle (Mr. Thomson)—if his figures are correct, and they usually are—pointed out the other day that we were bonusing the manufacturers of this country to the extent of about $500,000,000. Well, if out of that amount all that finds its way into the treasury in this matter of agricultural implements is $92,954 it is only half the fees paid to the lawyers for dealing with one case in connection with the Winnipeg strike. Why should the people be penalized in the carrying of hundreds of mil-

lions by way of bonus to the manufacturers, when all the Government receives in respect of duties on agricultural implements is, according to the Prime Minister's figures, the small amount which I have mentioned. The Prime Minister, in the address to which I have referred, contended that as a revenue getter the tariff on agricultural implements was no good. He said:

> Why, sir, we have no tariff for revenue at all; nobody can defend this as a tariff for revenue.

Other criticisms were offered by the right hon. Prime Minister at that time; they can be found in Hansard for 1910-11, page 1915 and following pages. As the hon. member for West Middlesex (Mr. Ross) pointed out, the views with regard to tariff entertained by some hon. gentlemen seems to depend upon which side of the House they sit on.

It has been suggested by hon. gentlemen opposite that there is some alliance between the Liberal party and the Progressive group. Personally I fail to see it. I may say that I was the first man in Canada to be opposed by a farmer candidate. I know that the United Farmers are placing men in the field without paying any attention whatever to the political faith of those who oppose them—it does not seem to matter whether their opponents are Liberal or Conservative; they go into the field just the same. The farmer candidate who opposed me is still there and if I am again a candidate in that constituency I know that I will be opposed by him. That does not look very much like an alliance. Of course, I am quite satisfied that it should be so. I have, as a Liberal, always believed that the majority should rule, and if it is the wish of the people of my constituency or of the people of any constituency, for that matter, to be represented by those who support the platform of the Agrarian group, why, it is nothing more than their right.

I was somewhat surprised to hear the Prime Minister make an attack upon those who came so readily to his aid in 1917. I think that the securing of the services of the hon. gentleman who is now leader of the Progressive party had a great deal to do with the results, in the West, in the last election. But of course, he was a pretty good fellow as long as he was supporting them. I can remember some years after, when I seconded a resolution moved by the hon. member for Brome (Mr. McMaster), the Prime Minister and others lauded many of the same hon. gentlemen because they remained with the Government at that time. The Government paid special attention to them, said that they were doing something that was noble and patriotic. Since then they have committed no crime that I am aware of, except that they have crossed the floor of the House and taken seats on the opposite side. By so doing, they have apparently lost all their virtues.

I may say, in conclusion, that I think the amendment is a good one; that it is in true accord with the Liberal platform. The suggestion made by the Prime Minister that the platform should have been read as an amendment is, perhaps, his opinion; but we are not bound by his opinion, nor do we look to the Prime Minister nor to any one else on that side for suggestions or proposed improvements as regards any amendments that we may move in the House. I am glad that this amendment has been moved and that I have been given this opportunity of supporting it. The Farmers' platform would have suited me just as well and I would have supported it just as readily, but as this amendment is in accord with it, I am glad of this opportunity of stating my views along this line.

Mr. GEORGE NEWCOMBE GORDON (Peterborough West): Mr. Speaker, I wish to address myself briefly to the subject under discussion this afternoon, and to make an appeal particularly to the Minister of Finance (Sir Henry Drayton), who has introduced this proposed legislation which will seriously affect all the milling interests in the industrial centres. The minister made his maiden political speech in the city of Peterborough a few months ago, and on that occasion he assured the people of that city that he had a very affectionate regard for their interests. Therefore, I feel that I have a right to appeal to him not to forget the assurances that he gave us a couple of months ago in the city of Peterborough, and that he should now seek to avoid what will cause most serious injury to our milling industries and will, I believe, cause a great deal of loss and unemployment to those at present employed in the cereal mills in that city and in Eastern Canada. To show in some small way the amount of export business going through the city of Peterborough, I have taken the figures from the American Consul's office in that city. In 1920 we exported to the United States wheat flour, rye flour and other cereal products to the extent of over $1,000,000. We manufactured and sent to the United

States milker parts, cream separator parts, of the De Laval Company, to the extent of about half a million dollars and competed successfully in the American market against American manufacturers. In addition to that, we exported to the United States, wood and wood products to the extent of $1,475,000. In the first quarter of this year we have exported to the United States from the flour mills $655,000 worth of breadstuffs, and if we can continue at that rate during the year, that will mean that we will export to the United States $2,620,000 worth of those products from that district. The export of wood manufactured products has increased largely, too, and if we can continue at the same rate during the present year, our export business to the United States in that line will be over $2,000,000. That indicates what some of these industries are, and it also shows that some manufacturers, in the city of Peterborough, at least, can compete successfully in the United States with American manufacturers.

In the city of Peterborough, there is a large number of mills, flour mills or cereal mills. It is said that the most modern mill in the world is located in the city of Peterborough, namely, the Quaker Oats mill. The capacity of the mills in that city is something like 10,000 barrels a day. Within the last few years nearly all of the products of these mills, breakfast and other foods, with the exception of flour, and, in some cases, I think flour also, are put up in small packages. In fact that business has developed to such an extent that I think the major part of the "Quaker Oats" business is that of putting up the goods in packages.

Mr. LEMIEUX: How many men do they employ?

Mr. GORDON: They are capable of employing and do employ, I think, all the way from 500 to 1,000 or 1,200 employees, the number depending largely upon the quantity of export business, because it is an export mill. The small package is sanitary, clean, wholesome; it suits the purse of the workingman; the goods do not deteriorate, because it is done up in waterproof paper. A trade has been established in these lines of goods; hundreds of thousands of dollars have been expended in the development of this class of trade; the trade names of the package goods are registered; they are known by the various brands advertised, and a market has been developed for them during all these years. If the legislation which the minister has introduced imposing this taxation is passed, the paper box industry and the labour connected with it will be seriously injured. The Nashua Gum Coated Paper Co., Ltd., a company that was established only three or four years ago and which is capable of employing many hundreds of men, will close its doors. Labour will be injured and seriously affected in this plant and the milling plants because in this package business, a large quantity of labour is employed for the purpose of doing up these goods in packages. The result will be that "barrel" quantities will be sold, and the grocer will attempt to sell from the barrel as he did in the old days. The situation is so serious, and it strikes the city of Peterborough to such an extent that it is feared there that there will be a great deal of unemployment for some time to come unless this proposed legislation is varied in some way. The reason why this package business has been established and such a market developed for it is that the products put up in this way are perishable and they need to be hermetically sealed. They also need to be hermetically sealed so that they cannot deteriorate or become tainted as frequently takes place in the case of foods done up by other methods. The purchase of large quantities of these articles of food by the average family has altogether ceased, for the simple reason that it did not pay them to continue that method of purchasing. The prices were fixed and they could obtain these package goods whenever they desired them. In this way there has been developed throughout Canada, in the last six or eight years, a trade in package goods which is the surprise of every one. It is true that the small unit costs more initially; but goods done up in packages are cleaner, healthier, and freer from taint, and the possibility of adulteration is obviated. Therefore, in the long run the small unit of flour or any other cereal product is the proper and economical unit. This proposed sales tax legislation on flour, rolled oats, oat meal and corn meal, when purchased in quantities that practical experience has demonstrated to be best suited and most economical, as well as practicable for the people as a whole, is unsound and ill-advised. I submit that it has not been carefully considered, or it would not have got to the stage it has now reached. The standard of this package food is high. As the reputation of these concerns is at stake, they must necessarily keep their products up to a proper standard; there can be no adulteration, because these great

concerns stand behind the food they are selling to the people. The grocer, however has no difficulty in bagging this material and selling it as he sees fit, and there may be cases amongst the grocers where adulteration will take place.

The flour and cereal milling business in Canada, according to the Dominion Bureau of Statistics, had an output last year of $263,000,000, on a $78,000,000 capitalization, and had a $30,000,000 greater production than any other industry in Canada; so the milling industry is the largest industry in Canada, outside of agriculture.

The difficulty in taxing the food of the people in packages or parcels under 48 pounds is that nearly all of it comes in the small package. If these products are delivered from one wholesaler to another, the tax is pyramided by 1½ per cent each time. Now, that affects the small mill, because it cannot establish its own sales offices, but sells first of all to a large wholesaler, perhaps in Toronto or Montreal, who in turn sells to a smaller wholesaler, located at Brantford, Peterborough, or some other of the smaller cities, and that wholesaler in turn sells to the retailer. Each time the article is turned over, 1½ per cent is added to it, which the consumer pays. The tax is fixed upon the cost plus the freight from the terminal elevator to the mill in the East, or from the country elevator in the West to the mill, and I would just like to indicate to the minister how that works out. Take ploughs, for instance —and I think the hon. member for Brantford (Mr. Cockshutt) will appreciate this illustration. The Cockshutt Plough Company, let me say, sells a plough f.o.b. Hamilton at $100. Now, if the company sells the plough to a jobber who has no connection with that firm, the jobber in turn must sell f.o.b. his warehouse, and pay the tax on the price to him, which is $100 plus the freight to his warehouse. The Cockshutt Plough Company could sell direct to the consumer f.o.b. Hamilton, while the jobber could not do that. Now, the large concerns have warehouses in the various centres, while the small concerns have not, and that applies also to the small mills. The small plant must sell through a jobber, because it cannot establish and finance its own sales branches in the various centres in Canada. Dealing with that matter and how it affects Ontario labour, Quebec labour, and the Ontario and Quebec mills, take the price of bran, say, at Calgary, at $16 a ton. There is a three per cent tax on that, which amounts to 48 cents. At Montreal the price, plus the cost of transportation, would be $31. The sales tax is fixed on the price of the bran, plus the price of the transportation to Montreal. At 3 per cent that makes 93 cents, or a difference of 45 cents a ton, or a difference on a 25-ton car of $11.25 in favour and to the advantage of the Calgary mill. In other words, the Montreal consumer could purchase from the Calgary miller and save $11.25 per car, as he would pay no tax on the transportation cost on bran, from Calgary to Montreal, for there would be no tax on that. That means that the western miller, finding that the prices down East would be very much higher than they are in the West, would send his product East, to the ultimate cost of the consumer in the West, who would eventually be compelled to pay a higher price for the miller's product there. A miller in the Calgary zone can buy wheat on the Calgary price, which is the Fort William price, less the freight from Calgary to Fort William; but the Ontario or Quebec miller must pay on the Fort William price, plus freight to his mill. Upon that freight and the Fort William price a tax of 3 per cent is imposed. So he has to pay a tax on transportation cost, which may mean when the product reaches Montreal, as I have said before in the case of bran, twice the price in the Calgary zone.

The difficulty, I submit, with this proposed legislation is the manner in which this tax is imposed. The tax is imposed on the shipments f.o.b. the point of shipment of the miller, so as in the case of the figures which I have given the tax is imposed not on the actual cost of the raw product to the miller, but piled on top of that is the high transportation costs, which have reached a higher point than ever before, and from which it seems to me there is little relief to be expected. I therefore think that a wrong principle has been adopted, and that the Minister of Finance should vary this tax which he seeks to impose on the free food of the people, so that it will not directly have included in it a tax on the transportation cost, which is not, as a matter of fact, or should not be, a part of the actual cost to the ultimate consumer. At present an undue preference is given to the West. It puts a premium on western business, and injures to a very serious extent Ontario and eastern mills. The western miller can sell his mill product at the cost of the grain, freight, labour, and a reasonable profit, plus the tax. There is no freight in the Calgary zone to speak of, but when the

product comes east, there is pyramided on that cost, the freight costs, which may amount to almost the same value as the goods, and this tax is imposed upon the two. This is confirmed by the regulations that have been issued by the Minister of Finance, and which have been released, I think, within the last 48 hours. At page 7 of the regulations, under the heading "Value for Excise Taxes" it is stated:

> The Sales Tax on domestic sales must be computed upon the regular (open) market value at point of shipment, provided, however, that the excise tax must in no case be collected on less than the actual net selling price of the goods.
>
> When goods are sold at a delivered price and estimated or actual freight charges have been added to the price f.o.b. point of shipment to arrive at such delivered price, the actual charges so added may be deducted from the gross invoice value to ascertain the value upon which to compute the sales tax.

These regulations, which have been issued this week, and have gone out to the trade, will it seems to me seriously affect the employment of men in the large cities, where we have already so much unemployment. The miller must make a considerable computation, and he will in turn charge to the consumer the cost of that extra clerical assistance in computing the tax under so complicated a system. But if there were a simple turnover tax of, say, one per cent, he would require no extra clerical work. At the end of a week or a month he would know what his turnover was, and could readily compute it, and there would be no cumbersome and difficult work in connection with it.

Corn flour is taxable in 48-pound lots or less, while cornmeal is taxable in any quantity. Now, cornmeal is the food of the workingman and is sold to a much greater extent than corn flour. It is a coarser product and does not require to be specially treated, as corn flour does. Corn flour is really used by the man of greater means who can afford to pay for it, and why it is not taxable in the same way as cornmeal, I am unable to understand. If the food of the people in these industrial centres and, for that matter, in any part of the country, is to be taxed, we are failing to reduce the cost of food, and that in turn will have its effect on the cost of labour. I think that in taxing the food of the workingman we are simply keeping up the cost of living, just at a time when we should do our utmost to bring it down. The manufacturer says that he must have reduced costs, and he cannot get it if we tax the food of the men whom he employs, because they will necessarily demand wages to meet with the cost of living. Reducing the cost of food would certainly reduce the manufacturers' cost of labour, and to do this we must avoid taxing the people on the necessaries of life. A tax such as this on cornmeal, for instance, is a discrimination against the workingman who has a large family, and if there is one class of taxation that should not be imposed, it is taxation on food. For three and a half years we have avoided the imposition of an income tax in this country, but this has not been through any fault of the present Minister of Finance (Sir Henry Drayton); it was due to a former Minister of Finance. There are men living in western Ontario, men who we know made enormous profits during the war, and the minister in those years might well have taxed their incomes. He should have told them: "Our boys gave their service overseas and while they were fighting you promised that you would give your last dollar. Now we want you to carry out that promise." When the Minister goes to the city of Peterborough again, and expresses his interest in the people of that city and his affectionate regard for them, I suppose he will announce on the platform that diamonds are free. And so they are; they are free from the luxury tax and the customs' tax. Of all the useless and worthless modes of investment, when money is so badly needed, the indulgence in jewellery of this kind is the most reprehensible. In strenuous times like these, why in the world should the purchase of expensive jewellery be encouraged? Was there ever a time in the history of the country when it was more imperative that we should discourage that sort of thing, and when we should do everything possible to enable the workingmen in the industrial centres to bring up their families on a decent plane of living? I say, Mr. Speaker, that the taxing of foodstuffs in this way discriminates against the workingman, and the workingman alone. He is the man who buys these goods, who lives in the small house and cannot put in any large quantities of goods because he has not sufficient capital; and even if he could afford to buy things in large quantities he has no room. It seems to me that we are going back to the days of the Corn Laws in England, because this Budget simply proposes to tax the food of those people who are least able to bear taxation. When men are toiling and suffering from the conditions that are being created in the present readjustment; when everything is unsettled and unemployment is rife; when men in the city of Peterborough, as elsewhere, are out of

employment for months and months, the great industries are very much concerned over this proposed legislation, and they are protesting in the most vigorous manner against it, because it will probably cut off business that would amount to millions of dollars in favour of what they call the "barrel" business,—I do not mean since the referendum, but before that.

The hon. member for Shelburne and Queen's (Mr. Fielding), has stated the situation clearly in the words of the proposed amendment:

That the aim of the fiscal policy of Canada should be the encouragement of industries based on the natural resources of the country, the development of which may reasonably be expected to create healthy enterprises giving promise of enduring success.

Those enterprises which we hope will have enduring success, based on the natural resources of this country, includes the industries which depend upon the wonderful electrical energy which we possess all through the province of Ontario. That energy gives to industrial Ontario an advantage over all American concerns, such as, for instance exist in Bridgeport, Connecticut, an industrial centre which pays something like $20 a horse-power more than we do in Peterborough. If we are given an opportunity to develop these industries to a greater degree than we have reached it will mean a great deal of wealth for the country, but we cannot hope for any success if we tax the food of the people, thus increasing the cost of manufacturing. If you increase the cost of living to the workingman by taxing his food, he must in turn remand a decent wage from his employer, and the cost of producing will accordingly be increased, so that in the end the consumer must foot the bill.

5 p.m.

Diamonds, however, are free, and while the minister may think that this fact will help him in any way, when he goes to Peterborough, I have my doubts.

The other day, because some of us presumed to express some different opinions from the Prime Minister's, that right hon. gentleman must needs taunt those sitting on this side of the House with being tools and minions; but his taunt is just about as effective and valuable, and goes just about as far as the taunt of the school boy who sits on the fence and makes faces at the passers-by. We have a right to our opinions, and in this free Parliament we have the right to voice them; and we resent such aspersions as the Prime Minister saw fit to cast upon hon. members of the House.

And then he makes a plea for consistency. Well, those who have read the utterances of the Minister of Immigration (Mr. Calder), will recall that he has given expression to the same great principles which we have always espoused, and I should like to quote from the Official Debates of the session of 1919. Let me read very briefly from page 70, where the Minister of Immigration expresses himself very well, as he usually does.

Just let me say that when I joined this Government I joined as a Liberal, and I am a Liberal to-day.

That declaration has an honest ring to it. He goes on:

More than that no person can make me anything else. There may be those who would like to drive me out of the Liberal party, but they cannot do it.

He will not let them drive him out of the party, let alone leave it on his own accord.

Mr. LAPOINTE: It would be very hard to drive him out.

An hon. MEMBER: "Far, far away."

Mr. GORDON (reading):

I care not whether I am in the organization or whether I have any part in the organization—that means very little in times like these. I have had letters from my friends out West saying: For goodness sake, Calder, come over while there is time—as somebody said to-day—or it may be too late.

Mr. RINFRET: That is a great speech.

Mr. GORDON (reading):

The question of party is a very small thing at the present time, in my judgement. There is something bigger at stake than mere politics at the moment.

It would be rather interesting for us to know what the minister had in mind when he said there was something bigger at stake. I think there was more than a single meaning to that.

We have bigger, more important work to do. When the time comes later on there may be those who will desire to play politics in this country. Well and good; let that be done when the time does come. Just now we have something else to attend to.

And then he continues in some very interesting statements which I will briefly quote from Hansard of 1919, page 3340:

The time has arrived, I believe, when a thorough study should be made of Canada's economic situation in order that we may have a general revision of the tariff.

Mr. LEMIEUX: Who is speaking?

Mr. GORDON: The hon. the Minister of Immigration.

Mr. LEMIEUX: Again?

Mr. GORDON: Yes, again; in 1919. He goes on to say:

The existing tariff, in my judgment, has outlived its usefulness. It was made for a period some ten or twelve years ago, and it is chockfull of all sorts of anomalies which should be straightened out. A thorough investigation and inquiry, as forecasted by the Minister of Finance, should be made with a view to having a general revision of the tariff.

The minister follows that up with a further statement which I will briefly quote:

When I joined the Government in 1917—

I am now quoting from page 3341:

—I did so for a very definite and specific reason. I did so because I believe the proposals that were put forward at that time set out the only policy that would enable Canada to see this war through, so far as our part in it was concerned. Now I believe it to be my duty to stay with the task I have assumed until demobilization has been completed and our soldiers are returned.

They are back to Peterborough I know.

An hon. MEMBER: He means demobilization of the Government.

Mr. GORDON: That is on the road. The minister continues:

I do not purpose to allow any temporary changes in the tariff to divert me from my duty in that respect as I see it.

The Prime Minister has charged hon. gentlemen on this side of the House with inconsistency. Does it lie in his mouth to say that we on this side have not been quite as consistent as some in his own family circle? Now Mr. W. F. O'Connor opposed the present Government in the Peterborough election. Mr. O'Connor was the High Cost of Living Commissioner appointed by this Government. He was well-named as the High Cost of Living Commissioner, because while he was commissioner the cost of living went up, and when he resigned it came down.

Some hon. MEMBERS: Hear, hear.

Mr. GORDON: As I say, Mr. O'Connor opposed this Government in the Peterborough election; he was on the platform of the Labour candidate and supported him against this Government. Yet the Minister of Militia, when the Bankruptcy Bill was being considered by the House in Committee of the Whole, had Mr. W. F. O'Connor sitting in front of him in this chamber and assisting him. So Mr. O'Connor is still in the employ of the Government and was in its employ at the time referred to in the city of Peterborough. There is another sample of the consistency of hon. gentlemen opposite.

Now this jockeying of the tariff question cannot go on very much longer. The manufacturers demand and require something to be done to change the situation, which has not been varied, I may say, to any degree, or to any material extent, since 1911. The manufacturers want it, the business men want it, and the consumer is entitled to it. This thing, as the Minister of Immigration and Colonization said, has been going on for all these years. My hon. friend complains very bitterly about that, and I agree with what he says. I hope when the vote on this amendment is taken the minister will remember the statements I have just quoted to him and will not forget his duty to the people he represents.

The Minister of Finance a short time ago expressed the hope that this unrest, this disturbance, this discontent would be removed and the people would be relieved. I agree with him as to the desirability of that if such a state of affairs exist. But the returned man is at his forge, he is working at the lathe, he is employed at the bench—he has filled in his place well. There has been no disturbance on his part—he fitted in as naturally and well on his return from war as if he had returned from a visit of a lengthy period to his friends, he has found his place. It is not the returned man who is causing unrest, it is not the working man who is causing discontent—the trouble arises from such things as I wish to describe now.

In the summer of 1920 I attended before the president of the Canadian General Electric Company in the effort to settle a strike in the city of Peterborough—I was there with the mayor and the chairman of the Board of Works of the city of Peterborough. The then president of the company said that he could not pay his employees, who were asking for a new schedule and a wage increase of five cents an hour, what they demanded; he said that his great competitor, the Westinghouse Company, of the city of Hamilton, was competing with him at so close a margin that he could not afford to. It was not possible for the increase asked for to be granted and these men would have to accept the wage that he offered. I am sorry to say it but in that great plant in the city of Peterborough was an arsenal deposited by the management of this concern. They had firearms there ostensibly for the purpose of protecting the property,

but it was a dangerous thing to do when there was never a question of any violence being displayed. In addition to that, men were brought across from the United States, most of whom I examined under oath, and they were men of a low type with every mark on them of dishonesty and crime. These men were employed and kept at the best hotel in Peterborough by the management of this concern and paid far more than the men who were seeking an increase of their wages. That strike or lock-out, whatever it may be called, was crushed, and some of the employees lost their places never to regain them,—men with families. But what happened later on to this president of the Canadian General Electric Company? On March 26, 1921, the Toronto Telegram stated:

$595,350 from Canadian General Electric for Hon. Fred Nicholls?

The president of the company who could not afford to pay his men on account of the competition of the Westinghouse company.

$53,040 for Life, including shares worth $311,200, as token of regard.
What is the annuity?

Opinions vary as to whether it is $30,000 or $35,000, and President Dyment, of the Canadian General Electric, is not communicative.

That is what is causing discontent, that is what is causing unrest, that is what is causing unhappiness in this land. When men say that they cannot pay a wage that will maintain a fair and honest standard of living for the workingman in order that he may keep his family of boys and girls comfortably housed, respectably clothed, and properly educated, and when those men get together in high places and take from the coffers of a great concern over half a million dollars, we may well say that it is not the war, it is the greed of such men whetted by the excessive profits made during the war that is causing unrest in this country. And here is another instance of what breeds discontent. In this House one afternoon the postman's bonus was cut 25 per cent. Their life at that particular class of work is limited to a few years on account of the heavy mails they have to distribute in all kinds of weather over the hard pavements of our cities. Many cases occur where these men early in life are discarded, like an old horse turned out to pasture, on account of their inability to carry on their work. These poorly paid civil servants suffered a cut of 25 per cent in their bonus, and it was done in a pretty short way by the right hon. gentleman who occupies the Prime Minister's seat. An hour after that the second or third reading of a Bill was moved by the Prime Minister whereby the Chief Justice of Canada was appointed administrator at a salary of $5,000 per year on top of his $10,000 as chief Justice, and in addition to that he was given exemption from income tax on $10,000 of that $15,000 income. That also breeds discontent, unhappiness and unrest. It is not the returned men who are causing unrest, it is those who in high places are assuming to do what they have not any right to do. We need big business, it is necessary with our developed civilization to have big business, but we want big business to be fair, and we want men in high places with great means to share honestly and fairly their profits with those who are entitled to participate in them. And no man has a right to take from those who are unable to defend themselves, as was done in the case of the minority shareholders of this company, what he has no moral right to take.

The charge is laid that we are inconsistent and unfair. I do not know what the Prime Minister's ideas of sportsmanship are, but I know that in the games we play it is not considered the best of form to attempt to steal one of the other fellow's players. Some believe in those methods, but I think that the best of Canadian manhood does not believe in them whether in political life or in sporting life. The Prime Minister knows the overtures that have been made not only here but in West Peterborough. I think he knows the situation because when the hon. member for West Hastings (Mr. Porter) and I met the Prime Minister about the power situation in the Midland part of Ontario, the latter was good enough to say to me that he had heard of me from a certain gentleman who was supposed to head the Round Table group in Toronto—a well-known and prominent lawyer there. This same well-known and prominent lawyer was busy for a long while, and finally it developed that overtures were made to various Liberals that if they could succeed in defeating a former supporter of this Government, Mr. J. H. Burnham, the Government would not put a candidate in the field, but would assist them to that extent. The hon. member for Parkdale (Mr. Mowat) knows that. He happened to be present one night when the executive of the Liberal association in Peterborough was meeting. The Prime Minister must have had some knowledge of

what was going on, because he held the writ for a sufficient length of time to let these things be developed. So I say it does not lie in the mouth of any member of the Government to charge members on this side of the House with inconsistency.

The inconsistency of taxation which has been developed by the Budget is one of the most dangerous to the consumer of milled food products that has ever been imposed in this country. It means unemployment, it means increased cost of living, it means the people will have to pay more because their food is taxed the same as the food of the people used to be taxed in England, for the benefit of those who had great wealth that they might accumulate more. As I said before, the Minister of Finance has brought us back to the days of the Corn Laws in England. If the present unemployment is aggravated by the taxation that is now sought to be imposed, which will force these great mills to absolutely discard one method of packing food, he can blame his proposed taxation. There is an easy and a fair taxation to impose, which means that the man in the Calgary zone does not get his milled product for half of what we require to pay between Peterborough and Montreal. That can be done, and the milling industry of this country will not be injured. The great mills of the Midland district of Ontario and those in Peterborough particularly, will not be affected. But if this measure goes through in its present form, and this taxation is imposed, it will simply add to the numbers of the men who walk the streets day after day looking for positions, and are turned away, like beggars on the street, because unemployment is being created by the direct act of this Government.

Mr. J. F. JOHNSTON (Last Mountain): Mr. Speaker, before dealing directly with the proposals as contained in the speech of the hon. Minister of Finance (Sir Henry Drayton) I wish to pay some attention to the figures given to the House by the Minister of Militia and Defence (Mr. Guthrie) the other day in connection with the expenditure of his department. The hon. minister placed on Hansard a great number of figures in an attempt to prove that Canada's military expenditure was less than that of any other country. As reported on page 3378 of Hansard, the hon. minister said:

> For comparison I go first to Australia. The estimate of population in Australia to-day is 5,000,000. Expenditure for militia $13,800,000 odd, just about $2,000,000 above us; naval expenditure is $14,000,000, about $11,500,000 above us; air force in Australia, $2,700,000.

Now, I wish to compare these figures, Mr. Speaker, with the figures given in the official Budget as presented to the Parliament of the Commonwealth of Australia for the year 1920-21. The hon. Minister of Militia gave as the expenditure for militia in Australia, $13,800,000, whereas the figure given in the Australian Budget is £797,692. Reckoning $5 to the pound, this would give approximately $8,250,000 as against $13,800,000 as stated by the Minister of Militia. This was the expenditure for militia. The naval expenditure of Australia was given by the minister as $14,000,000, whereas it should have been $12,000,000; air force, as given by the minister, $2,700,000, whereas it should have been $1,500,000. I take it, Sir, that the minister's figures were not taken from the Budget for 1920-21.

Mr. GUTHRIE: My hon. friend is quite wrong in his figures.

Mr. JOHNSTON: When I get through the minister will have an opportunity to refute my statement. The hon. gentleman also laboured to show a big per capita expenditure for Australia and a small one for Canada.

Mr. GUTHRIE: I do not wish to interrupt my hon. friend, but he is making a tremendous blunder; he has just given about half the figures. I know the mistake he has made, and I do not want—

Some hon. MEMBERS: Order.

Mr. JOHNSTON: I would prefer that the minister would let me know wherein I am wrong, if he wishes to do so.

Mr. GUTHRIE: I see that the hon. gentleman has the official figures for Australia before him and if he will turn to page 29, he will find the total expenditure for the present year given as £3,428,049. Now, if he turns to page 30 of that same document he will find the total for naval expenditure, £3,073,229; and on the same page the air expenditure, £500,000 for military air expenditure and £100,000 for civil. The three items amount to £7,001,278, which, figured on the basis of $4.50 a pound, would amount to just a little more than the figures given in the per capita table to which he refers. He can see these figures for himself if he will just turn to the pages which I have given. The figures which my hon. friend has given represent only part of the vote for 1920-21.

Mr. JOHNSTON: I was figuring on the basis of $5 to the pound, as I stated at the outset. This Budget is for 1920-21; as the fiscal year for the Commonwealth of Australia does not end until June 30, how can the minister be quoting the figures for this year?

Mr. GUTHRIE: I am quoting them—

Mr. JOHNSTON: The minister will just keep his seat until I finish.

Mr. GUTHRIE: Turn to page 29 and quote the figures given there.

Some hon. MEMBERS: Order.

Mr. JOHNSTON: The minister also laboured to show a big per capita expenditure for Australia and a small one for Canada and that is why, I suppose, he includes Australia's naval figures, although he is only Minister of Militia. But let us see how the percentage of militia expenditures to total revenue in the case of Australia compares with the percentage in the case of Canada. Australia has a revenue for 1920-21, as given in this report, of £63,364,700, as against Canada's revenue of $381,000,000. The militia expenditure in Australia is £1,797,692, or, reckoning at $5 to the pound, $8,500,000, while the militia expenditure in Canada is $12,554,807, making the Australian militia expenditure 3 per cent of the revenue as against Canada's 3.5 per cent of revenue.

Mr. GUTHRIE: That is based on your improper figures.

Mr. JOHNSTON: Australia's militia expenditure per capita is about 1.29 as against Canada's 1.45.

Mr. HALLADAY: Read the figures and be a sport.

Mr. GUTHRIE: Page 29 will show you the correct figures as I have quoted them.

Mr. JOHNSTON: I am giving the figures as taken from the Budget speech.

Mr. GUTHRIE: No, he is only giving part of the figures.

Mr. HALLADAY: Anybody could imagine figures.

Mr. JOHNSTON: There is no imagination at all. These figures are taken from the Australian Budget speech.

Mr. COWAN: Give us the truth, anyway.

Some hon. MEMBERS: Order.

Mr. JOHNSTON: Well, Mr. Speaker, I have given this comparative statement in connection with the figures supplied by the Minister of Militia. If the figures which I have given are wrong and the minister can prove that they are wrong, I assume that he will have some chance to do so on a future occasion.

Mr. GUTHRIE: Prove it yourself—simply refer to pages 29 and 30 of the report in your hand and you will be convinced.

Some hon. MEMBERS: Order.

Mr. JOHNSTON: The minister occupied a considerable amount of the time of the House when he took part in this debate a few days ago; he presented his arguments to the best of his ability and he waved the flag very energetically. I do not propose to let him take up any of my time now.

In speaking the other day, Mr. Speaker, the hon. member for Regina (Mr. Cowan), who has seen fit to interrupt my remarks at this time, said that the Opposition in this House had wings. I submit to you, Sir, that no one ever charged the hon. member for Regina with having wings. It would not be a surprising thing to many of us sitting in this quarter of the House if we saw a pair of horns sprouting on his troubled brow at any time.

Mr. COWAN: Good thing to have something in.

Mr. JOHNSTON: I find little in the proposals of the hon. Minister of Finance as contained in his Budget speech upon which I could congratulate him. Someone has termed his proposals "makeshift," and I cannot find any better term to use; in respect to the taxation proposals, it is a clear case of shifting. The business profits war tax has been abolished, and in its place we have an increase of the sales tax, thus shifting the burden from the shoulders of those who are able to pay to the shoulders of the great consuming and producing masses of the people—shifting, because the Government has got away from the direct method of imposing taxation to the indirect method. After pressure had been brought to bear upon the Government they imposed a tax upon incomes, but every proposal of the Minister of Finance in his Budget speech with respect to taxation is of an indirect nature, showing that the policy of the Government is to impose indirect instead of direct taxation. Some weeks ago the Minister of Finance

called representatives of the manufacturing industries in this country and others into consultation with him, presumably for discussion of the best methods of levying and collecting these new taxes. No representative, however, of the greatest industry in this country was present at that consultation. Neither agriculture nor labour was represented there, although it is upon those two classes that these taxes will fall the heaviest. The policy of the Government has been and is to toady to the big interests of this country, and that is given effect to in the imposition of these new taxes. The sales tax has been increased by 50 per cent, and that, to my mind, is a direct increase in the customs tariff. But what are we to expect? Some one has said that you cannot expect to have the perfume of roses around while there is a polecat under the table. Neither can you expect to have fair methods of taxation imposed by a government whose policy is dictated by, and wholly in the interest of, the big interests of the country.

We have heard a great deal about tariff revision. Back in 1919, when some of us withdrew our support from the Government, we were told that the Government would revise the tariff. We were also taunted and told that it would be revised in such a way that we would be sorry that we had not stuck to the ship. Now, 1920 has gone; 1921 is here, and I just wonder if the provisions of the tariff, as presented in the proposals of the Minister of Finance, meet with the approval of those members of the House from Western Canada who are still supporting the Government, and if they think that these proposals will be satisfactory to the people of their constituencies.

Mr. COWAN: I am quite ready to take a chance on that.

Mr. JOHNSTON: It is quite true that the Government appointed a tariff commission to investigate this matter, and this commission travelled throughout Canada at very great expense during the fall months of last year and the early part of the present year, and we have 1 per cent increase in the tariff as a result of these new taxes. Our protectionist friends are endeavouring to raise the class cry in this country. They have gone so far as to say that the farmers of Canada are opposed to the growth of our towns and cities. That statement is absolutely wrong. No farmer in this country is opposed to the natural growth of our towns and cities; but when our towns and cities are built up by the depletion of our rural sections, the farmer or any one else in Canada is justified in claiming that that is not a healthy growth. When you deplete rural sections of Canada of their producing element, you at once reduce production, and as a natural result, you increase the cost of living.

The primary duty of this Parliament and of the Government of the day is to develop the natural resources of Canada, to draft a policy that will enable both capital and labour to apply themselves to this development with some chance of success. Under existing economic conditions, this development will not be undertaken by thinking people. The Prime Minister (Mr. Meighen) says that his Government and party stand by the principle of protection and the old National Policy, a policy that, in my humble judgment, is the real cause of Canada having but eight or nine million people to-day when she should have at least double that number.

Agriculture is the basic industry of this country, and if we have a fiscal policy that will admit of the development of this and others of our natural resources, we would soon have villages, towns and cities, and a home market worthy of the name. Our manufacturing friends make a great deal of this plea of the home market, and well they may, for under the protective tariff, they are able to exact from the people of Canada greater prices than they can command for their products in any other country. If our manufacturing friends would have the good sense to let up on this cry for protection and give to this country an opportunity of developing itself along natural lines, by a general reduction of the tariff, especially on the implements of production, I believe that in ten years' time, through this development, through the increased population, their sales would increase to such an extent that they would be ashamed to think that they had ever demanded protection from this or any other government. The old National Policy has been on trial in this country for forty-three years, and under it we have lost many of our best citizens. From the 1920 United States' census, we learn that there are 1,117,136 native-born Canadians in the United States. If you take three to the family, that would mean that there are 3,351,408 citizens of the United States who are of Canadian birth or origin. This almost equals our total immigration to this country during the last thirty years. We have been filling our country up with

foreign-born people, while we have been losing to the United States our own Canadian-born citizens.

Further, this Government claims that its policy is clear-cut and definite. Is this the case? It is true that the Prime Minister says that they stand by the "principle of protection." In a speech delivered by the Prime Minister in the city of Regina last fall, he said that he was not a "high protectionist," while the Minister of Marine and Fisheries (Mr. Ballantyne) told the House the other day during this debate that the Government stood four-square for "moderate protection." Before the Government can claim that its policy is clear-cut and definite, some one should explain what percentage of protection the Prime Minister stands for when he disclaims being a high protectionist. And will the hon. Minister of Marine and Fisheries kindly explain what he means by moderate protection? Moderate protection to a moderate man might mean a very low tariff, but is there any one who thinks that the Minister of Marine and Fisheries is a moderate man? Would he be satisfied with a moderate tariff? I submit that the shipbuilding policy of the hon. gentleman must be held to banish him forever from the ranks of moderate people. The figures submitted by my hon. leader in his speech of yesterday in connection with some companies with which the hon. Minister of Marine and Fisheries is connected would go to show that there was enough water in the stock of these companies almost to float his merchant marine.

Mr. BALLANTYNE: Would the hon. gentleman allow me a question? I would like to put to him the same question that I put to his leader yesterday. There is a plank in your platform favouring 50 per cent preference for Great Britain, and absolute free trade with her in five years. I want an answer to that last particularly. Are you in favour of that?

Mr. JOHNSTON: The minister is adopting a tone that is altogether unbecoming. He is demanding something. I have no hesitation whatever in answering his question, but I do not care to be driven to do anything. If the minister would put his question in a gentlemanly way I would be glad to answer it.

Mr. DEPUTY SPEAKER: I do not think the hon. member is justified in saying that another hon. member has not acted or spoken in a gentlemanly way.

Mr. JOHNSTON: I bow to your ruling, Mr. Speaker. May I use the word "moderate" instead?

Mr. BALLANTYNE: What is your answer?

Mr. LALOR: He won't answer.

Mr. JOHNSTON: On that question I stand absolutely where my leader stands.

Mr. LALOR: I have never heard where he stood.

Mr. HALLADAY: Nobody knows where he stands.

Mr. JOHNSTON: It is on Hansard.

Mr. DEPUTY SPEAKER: I must ask hon. gentlemen who desire to ask a question of the hon. member who has the floor to rise in their places for the purpose of doing so, and I must remind them that they must first obtain his permission.

Mr. JOHNSTON: So I submit, Mr. Speaker, that when the Government calls on hon. members on this side of the House to explain their policy, it might be well for the Government and its supporters to remember that the people of this country will ask them to say just what they mean by these ambiguous terms to which I have alluded.

The question may be asked, what room is there for the development of the natural resources of this country? I shall only refer to the industry with which I am best acquainted, that of agriculture. I shall give to the House figures of the total arable acreage in the three Prairie Provinces, the acreage under cultivation, and the amount in dollars derived from the sale of the products of that acreage last year. In the province of Alberta there are 81,300,000 acres of arable land, of which 11,764,167 are cultivated; Manitoba, 25,223,348 acres of arable land, with 4,637,660 acres cultivated; Saskatchewan, 57,884,160 acres of arable land, with 22,549,669 cultivated, or a total arable acreage of 164,407,508 acres, with 38,951,496 acres cultivated, or less than 25 per cent of the arable land under cultivation. There was derived in dollars from the sale of field crops in these three provinces last year the following amounts: Alberta, $199,033,500; Manitoba, $142,000,000; Saskatchewan, $350,521,010; or a total of $691,554,510. As I have already said, there was less than 25 per cent of the arable acreage under cultivation. So if you multiply that total by four you would have a return of $2,766,218,040, and still leave a margin of the arable land

uncultivated. In these figures I have not included the returns from live stock, dairy products and so forth. In connection with this matter of the further development of our natural resources it can be seen that if the agricultural resources of the three Prairie Provinces were almost fully developed, you would have a return in one year, on the same basis as last year, more than equalling the total of our national debt.

I have on more than one occasion in this House said that the greatest need in Canada to-day was greater production, and that to get greater production we needed more people. If we had these two things, it would necessarily mean that we would need wider markets, but I submit that under prevailing conditions in Canada to-day, the further development of our natural resources is out of the question, and we may as well stop talking about further immigration until we get in this country a government big enough and courageous enough to give us a fiscal policy that will give some chance of success to the people who go on the land. Any great development under present conditions will not result in lasting benefit to Canada. One would think that this Government, having put some 20,000 odd returned men on the land in Canada during the last few years, would give very serious consideration to the conditions under which these men have to labour. These men, returned from the war, eager and anxious to get back into civil life, accepted the Government's offer of assistance to go on the land; and now they find themselves up against conditions, over which they have no control, which make it impossible for them to carry on. In this connection I wish to place on Hansard some figures taken from a report issued by the Soldier Settlement Board on February 1 of this year.

At Six o'clock the House took recess.

After Recess

The House resumed at Eight o'clock.

Mr. JOHNSTON: When the House rose at 6 o'clock I had asked to put on Hansard a report issued by the Soldiers' Settlement Board, giving a summary of the operations of that Board up to January 31, of this year. That report shows:

Number of veterans applied for privileges of Act	58,276
Number accepted as qualified to farm	42,285
Number qualified, but not yet located	22,254
Number in training under supervision of Board	781
Number completed training	1,579

The loans to these men were as follows:

Number granted loans	20,231
Amount of loans approved	$82,043,414
Amount of loans disbursed	73,711,558
Initial Payments on land purchased	3,869,159
Number liable for repayments Nov 1,	12,507
Number who made repayments	9,355 (or 74.8 p. c.)
Amount of money due at Nov. 1	2,323,582
Amount repaid	1,634,972 (or 70.4 p. c.
Number who have repaid all loans in full	320

You will notice, Sir, that the number liable for repayment at November 1, was 12,507.

Adjustments

Number of failures and changes of ownership adjusted	179
Amount invested in these farms	$635,484
Amount realized in re-sale of farm equipment	637,347

The report goes on to give the area of soldiers' land, the stock, equipment, etc. I wish to bring this matter to the attention of the House for the purpose of showing just how much these soldier farmers will be called upon to pay of the new taxes imposed under this Budget. The minister expects to raise $62,000,000 by this increase in the sales taxes. This would mean about $7 per capita, putting our population at between 8,000,000 and 9,000,000. Now, we have put 20,231 returned men on the land. Multiply this by seven—the per capita tax—and you have $141,617. I think it would be fair to assume that there would be three members in each family, and that would mean a total taxation of $424,851, which the returned men whom we have put on the land would have to pay, or $21 per family. Let us follow this a little further and see what it means. We are charging these returned men 5 per cent for the money we have loaned them. It will be seen, however, that the amount taken from them by the sales tax would more than equal the interest on $8,000,000, and I submit that this extra amount could very well have been used by these men who are trying to establish themselves upon the land. The figures I have given do not take into account the pyramiding of the taxes which is bound to take place. If this were done, the amount I have mentioned would be at least doubled, and I think that this is a concrete example of the way in which the protective tariff works. I am sure it must make the manufacturers of the country feel like real patriots to know that they have shifted the burden to the backs of the returned men. I suppose, however, when the next election comes

around we may expect to find these barons of special privilege going around waving the flag and calling every one disloyal who votes against them and their party.

I have pointed out, Mr. Speaker, that in my opinion there is little use of looking for any great development of the natural resources of Western Canada under existing conditions, and one of the things that are bearing heavily upon the western farmer to-day is the increase in freight rates. This increase put on last fall does bear very heavily upon the people of the western provinces, because everything that they use on their farms, or dispose of from those farms, has to be hauled great distances. The Prairie Provinces, through their Provincial Governments, have made representations to the Railway Commission and to the Government regarding this matter, and have protested as vigorously as possible. I desire to read the opinions expressed by one or two influential organizations upon this matter. I have here a clipping reporting a resolution passed at the sixtenth annual convention of the Saskatchewan Rural Municipalities Organization. This resolution reads:

> Resolved that this Convention desires to protest in the strongest manner against the recent large and unreasonable increase of freight and express rates. The present high rates will result in making successful farming on the prairies difficult, if not impossible—

The opinion I have expressed, Mr. Speaker, that no great development in Western Canada can be looked for under existing conditions is borne out by this statement.

> —and will retard indefinitely the further settling up of farm lands in Western Canada; and we further protest against the want of sympathy with the public, where railway matters are concerned, manifested by the Railway Commission; and, further, that a copy of this resolution be forwarded to the Prime Minister of Canada.

The organization that fathered this resolution is representative of every municipality in the province of Saskatchewan. I have another clipping, dated Toronto, March 13, which reads as follows:

> Delegates representing all the large stockyard centres in the Dominion attended a meeting of the Canadian Livestock Exchange here Saturday night, and the prevailing opinion expressed was that the high freight rates had a tendency to keep shippers from shipping to the greater number of markets. Vice-President O. Attwell was delegated to confer with E. S. Todd, of the Eastern Canada Livestock Exchange, with reference to the question of appearing before the Dominion Railway Board with a request for a reduction of rates governing the shipment of livestock.

This matter, in my opinion, must receive immediate attention if the producers of Western Canada are going to be able to carry on with any degree of success.

Now, Sir, I desire to touch briefly upon another matter, and I offer some apology for bringing it to the attention of the House at this time, because it has already had some discussion in Parliament. I refer to the question of returning the natural resources to the Prairie Provinces. I did not avail myself of an opportunity to speak upon this subject when it was before the House on a previous occasion, but I wish to do so now as briefly as I can. The return of these natural resources to the Western Provinces is a matter that has been before this Parliament and the country for a number of years. I believe it is in the best interests of the whole of Canada that these resources should be returned to the provinces for the very good reason that the provinces would develop them much faster than the Dominion is doing. Furthermore—as was pointed out when this matter was specifically before the House—the Fathers of Confederation never intended that one part of Canada should be, as was termed at the time, "Crown colonies," while the rest of the country should have full autonomy. Besides that we had the direct promise of the ex-Prime Minister, the present member for King's, N.S. (Sir Robert Borden) in 1910 that if his party were returned to power he would return these resources to the Prairie Provinces; and we have had upon many occasions, the unanimous vote of the legislatures of the different provinces interested in favour of that course. I submit that the other provinces, as provinces, have no claim in this matter at all other than that whatever case they have should be presented to this Parliament. Every one of those provinces has its representatives in the Federal Parliament and this is where the matter should be decided. In this connection let me read a short quotation from a speech delivered by the Hon. Mr. Turgeon to the legislature of Saskatchewan on November 23 last. On that occasion Mr. Turgeon said:

> All the provinces of Canada are represented in the Federal Parliament. Each province as a province, sends so many members there, and one of the duties of each of these members is to look after the interests of his province and more particularly is this the duty of the Senate of Canada which was created and intended to be the custodian of Provincial rights; and if you look into its composition and how its numbers are allocated that fact is very much in evidence. All the provinces are represented in the Senate

and let some Government at Ottawa have sufficient courage to formulate a policy which will run the gauntlet of the Senate and Commons: in this manner only can the question be settled.

That is what we want. We want the Government of Canada to make up its mind as to what should be done, not after consulting the other provinces and waiting until they all agree on something, but on its own responsibility to the Parliament and the people of Canada. What is fair to us is to hand back our natural resources and to fix what allowance we should continue to receive. If at the same time any province of Canada wishes to go to the Federal Parliament and say: "you have reopened the terms of confederation because you have reopened the constitution of one province" let Parliament settle with that province in the way best suited to that province. If Nova Scotia, for instance, thinks it should have an increased subsidy let it go to the Government of Canada and lay its case there.

That is our attitude and I see no hope for anything being done until the Government of Canada will take our attitude as the proper one, form its own policy, bring it down and put it through.

That statement, I think, carries with it the opinion of the vast majority of the people of the province of Saskatchewan, and I can only add that I sincerely hope that something may be done in this regard in the near future.

Another matter that has been brought before the House, and to which I wish to make reference, is the proposal to send an ambassador to Washington. I am of the opinion that Canada should have a representative at Washington. I believe it is not only necessary but essential for us to have a representative there to look after our interests. There is also the matter of Canada appointing trade agents in the United States. I understand that the United States have over fifty of these agents in Canada. Well, Mr. Speaker, if the neighbouring republic have seen fit to send some fifty trade agents into Canada to drum up business with eight or nine millions of people, it surely follows that it would be a sensible thing on the part of Canada to have at least a few trade agents in the United States where we have a chance of trading with one hundred and ten millions of people.

Returning to the question more particularly before the House, I believe that the strictest economy should be practised at the present time by this Government and by every spending body in Canada. I further believe that the Government might have effected a considerable saving in the Estimates which have been submitted to Parliament. The expenditure on the Trent and Welland canals and the dry-dock at Victoria could have been very materially reduced, to say nothing of the expenditure of over

$11,000,000 on the militia. A very considerable reduction could have been made in these votes without causing any harm to Canada or the Canadian people. The expenditure of public money for the purpose of creating employment can be carried too far. I think we have had evidence that such a policy has been carried too far in Canada by the shipbuilding programme of the Minister of Marine. While speaking on this subject I would like to explain, in regard to some figures that I submitted to the House before six o'clock and which were questioned by the Minister of Militia (Mr. Guthrie), that the figures in question were quoted from the Budget, showing the consolidated revenue receipts and expenditure, of the Commonwealth of Australia for the year 1920-21. I wish to make that explanation to show that the figures were official.

There is another matter I wish to touch upon before closing. I hesitated to do so earlier in my remarks because the Prime Minister (Mr. Meighen) was absent from the chamber. He is present to-night and therefore I shall make the statement I had in contemplation. A day or two ago when the hon. member for Gloucester (Mr. Turgeon) was speaking, he said that the Prime Minister had alluded to the followers of the Farmers' party as wreckers and Bolshevists. The right hon. gentleman then asked the hon. member to do what the members of the Farmer's party had not done, support the statement by a quotation from his speech. I do not happen to have the particular speech in question before me but I have a quotation from another speech. The Montreal Gazette of September 2, reports the Prime Minister as having used these words at Sherbrooke:

A new party has arisen in Canada, best described as "The Farmer Free Trade party." It took its birth in the Western Provinces and for some twelve years or more it has been gaining strength. It has adopted the old Liberal free trade policy of 1893. It demands to be placed in power in Canada. It has gathered under its banner and trails behind it every class of theorist and malcontent, and to-day beyond all doubt it constitutes the most numerous and strongest organization opposed to the present Government.

I think the right hon. gentleman will not dispute this report of his remarks; it is taken from a newspaper that, I believe, would be very careful not to misquote him.

But I wish to draw the attention of the House to the closing words of this quotation:

It constitutes the most numerous and strongest organization opposed to the present Government.

In the face of that, Mr. Speaker, the right hon. gentleman in his address the other day termed this party, to which I have the honour to belong, a "dilapidated annex" of some other party. Such words coming from the Prime Minister are pretty hard to take, and in view of his statement that the supporters of this party are the most numerous and strongest of any organization opposing his Government, one may well wonder why he should attempt to be so sarcastic. I may be pardoned if I reply in kind and say that, if my party looks like a "dilapidated annex" to the right hon. gentleman, after the next general election I cannot think of any better term to describe the remnant that he may or may not then be the head of than to liken it to an exploded blister, and in all probability that remnant will be very easily accommodated in the few unoccupied seats in the most southeasterly part of the chamber next to the wall.

In conclusion, Mr. Speaker, let me say that the records of this House will show that I voted want of confidence in the Administration on the amendment to the Address at the beginning of this session, and I must confess that the Government has not improved in the meantime. Some hon. gentlemen opposite in a previous debate said that this Government—mark the expression, Sir, this Government—was elected in 1917. I said at the time that it was not elected at all but was manufactured in this city last July, and everything that has transpired since its formation confirms my view. I do not want to be unkind, but the fact of the matter is this Government wished itself on the people, and it has not the good sense to see that it is not wanted. Undoubtedly we should have had a general election long before this. For these and many other reasons, Sir, I purpose to vote for the amendment. I believe that the people want an opportunity to elect a government representing their views—a government with some sense of its responsibilities to the country, and an appreciation of the necessity of rigid economy in the expenditure of the public money at a time when the financial outlook is so serious.

Mr. J. ARCHAMBAULT (Chambly and Verchères): Mr. Speaker, I do not intend to enter into a general discussion of the Budget, or the relative merits or demerits of the fiscal policy of the Government. I have already given my opinion on the question in the course of other debates in this House, and it has been thoroughly discussed by many hon. members on both sides. But I shall take the opportunity of answering the statements made by some hon. members on your right, Sir, and of touching on a few points that have already been called attention to during the course of this debate.

First of all, I shall correct a wrong impression which has been conveyed through the subsidized press to the people regarding the financial operations of the fiscal year 1920-21; then I shall say something about economy,—the practice of which is totally ignored by the Government; I shall also deal with the worn out appeal that the Minister of Militia made in this House last week; then I shall answer the Prime Minister regarding the Grand Trunk speculation, and finally, I shall deal with the moral mentality of the Government, including their scandalous misuse of the Roumanian and Grecian loans in order to feed their hungry friends and keep them in line.

The subsidized press of Canada have tried to convey an impression to the people, by arithmetical and acrobatical arguments, that last year's operations closed with a surplus. In order to destroy that impression and to point out to the country the net result of those financial operations, I shall simply quote the words of the Minister of Finance himself, to be found at page 3,217 of unrevised Hansard. In his speech on May 9 last, he said:

> The country's revenues have been well maintained. The revenue for the fiscal year when the accounts are finally closed will approximately reach $432,000,000—

This is for 1920-21. On the same page will be found this passage:

> —The estimated expenditure for the year amounts to $533,368,077.—

Making it clear, Sir, that the deficit on last year's operations was $101,368,077. Furthermore, on the next page, as if to prove this fact, the Minister of Finance, speaking of the increase of the national debt, said:

> As already stated, there have been no fresh borrowings. On the other hand, the debt has increased by the amount that the liquid surplus of the year before has been used, namely, $101,368,077.

These are plain figures without any frills or garniture, and when the people come to discuss the financial operations of last year they will find out that they resulted, as the minister implies, in a deficit to that extent.

Now, Sir, I purpose to devote a few minutes to the necessity for rigid economy

in our national expenditure. The estimated expenditure for this year is $591,437,698—about $250,000,000 more than the total national debt in 1914. But the word "economy" has been deleted from the vocabulary of the Government, and the word "extravagance" with a capital "E" has taken its place.

When a firm or business concern is nearing the edge of the cliffs of bankruptcy, is it not common sense to say that the first thing to do is not to enhance prices to its customers, but to reduce the expenses of administration? That is the only hope of rescue. But what do we see here? Instead of curtailing expenditure the Government is increasing the taxes. The Government in this Budget is increasing the cost of living. It is true, Sir, that they do it in a camouflaged way; they do it by increasing the duties on goods imported from the United States through changes based upon the ratio of exchange. Every one in Canada will know when this Budget comes into force that he will have to pay more for goods coming from the United States. Instead of adopting this course the Government should have used the knife for the purpose of eradicating the gangrene of extravagant expenditure. There are many items in the Estimates that could be reduced; some of them could be altogether eliminated. I shall not go over all these items; it would take too long. But, Sir, I may mention some of the items on which expenditure could have been cut in two if not reduced by three-quarters. There is $500,000 for the Canada Temperance Act. There is $10,456,800 for the housing scheme. There is $80,000 for the Purchasing Commission, when it has been shown in this House that every department has its own purchasing agent, and that for these purchasing agents in the different departments the House is asked to vote the sum of $53,000. There is $200,000 for the Secretariat of the League of Nations. There is $5,165,000 for the Welland canal, and $854,000 for the Trent canal. There is $1,000,000 for the Toronto harbour—to make boulevards on which the millionaires of Toronto may drive. There is $1,250,000 for St. John harbour—probably to redeem an election promise. There is $2,500,000 for the naval service, to take care of ships which, it has been stated by Lord Fisher, a great naval expert, will be obsolete in three or four years. There is an additional sum of $8,330,000 for ship building—we have already spent $70,000,000 on this item. I am sorry that the Minister of Marine (Mr. Ballantyne) is not in his seat I hope he will be here later. We are spending $168,000,000 on the railways, $5,000,000 for a dock at Victoria, and $20,000,000 for militia, naval defence, and police.

Now, Sir, the Minister of Militia (Mr. Guthrie) during the course of his speech in this debate, made a comparison between the military and naval expenditures of Canada and those of certain other countries. The comparison which the minister makes in this regard is found at page 3383 of unrevised Hansard. He compares Canada to three classes of countries—European countries, South American countries, and British Dominions. Now, is it fair to compare the necessity for military expenditure in Canada with that of European countries which are practically still at war? Is it fair to compare the necessity for military expenditure in Canada with that of the South American republics, which are fighting together practically every day? And then, Sir, is it fair to compare the necessity for military expenditure in Canada with that of the other British Dominions? So far as Australia and New Zealand are concerned, these countries need a strong navy because they are isolated in the middle of the ocean and have to protect themselves from attacks on the part of Japan or other countries; the same need is not apparent in the case of Canada. Is it fair to compare the necessity for military expenditure in Canada with that of South Africa, where there is a large black population which is threatening that British Dominion, and ready to rise at any momoent? In my opinion, Mr. Speaker, this comparison made by the minister cannot stand.

The minister resorted to the old cry which has been used for five or six years, and especially during the last two or three years; he questioned the loyalty of the Opposition and their sympathy for the cause of the returned soldiers: In other words, he made the inevitable answer which the Government make to any criticism that we may bring against them. Hon. gentlemen know what this insinuation is; it is an attempt to convey the idea that the Government alone have the monopoly of patriotism in this country and that the Opposition are antagonistic to the soldiers. Answering the leader of the Opposition (Mr. Mackenzie King); answering the hon. member for Shelburne and Queen's (Mr. Fielding); answering the hon. member for Quebec South (Mr. Power) who had contended that there was no necessity for training men at the present time because we had

a great number of trained men who had enlisted and who would in a case of emergency be useful for the protection of Canada, the minister, as reported at page 3386 of Hansard, made the following attack and insinuation:

What do these statements mean, Mr. Speaker? They mean simply this, that we have in Canada at this moment about 400,000 of the most highly trained soldiers that the world has ever seen, men who have gone through the worst grilling in battle that the world has ever known. They have bared their breasts to the shot and shell of the enemy, they have taken their chances, they have done much to secure us who stayed at home in our lives, our homes and our liberties. And the message to those brave lads from the leader of the Opposition, from his chief lieutenant who sits beside him, and from the hon. member for South Quebec means, if it means anything: We will be so penurious and so miserly that we will not spend any further money for military training, but if trouble come in the future we will call again on those brave souls to protect us. Surely, in the name of God, these men have earned some measure of relief, surely under high heaven one may honestly declare that these men have done their bit, their full bit, and are entitled to rest and to immunity while others are in training to take their places.

I will admit that it was a great temptation for the minister to endeavour to revive the falsehood that the Opposition has no sympathy for the returned soldier. The minister could not resist this temptation; but if the minister had given all the facts regarding this matter, his sentimental appeal would have fallen flat. If he had given to the House a very pertinent part of the evidence taken before the special committee which inquired into the Soldiers' Civil Re-establishment, if he had taken the opportunity of reading in this House what is said at page 456 of the report of that committee, he would have found out that, besides the brave boys who went overseas and risked their lives, besides those who were in the front trenches, besides those who went to France, there were 232,520 highly trained men who never saw the firing line, who never touched the soil of France or any other place where fighting was going on. This is what I read at page 456 of this report:

The Chairman: I desire to read to the committee a letter received by the secretary at noon from Mr. Cox (reads):

OTTAWA, CANADA, October 1, 1919.

The Secretary,
Special Committee,
Soldiers' Civil Re-establishment,
House of Commons, Ottawa.

Dear Sir,—As instructed by the committee, I have prepared an estimate as to the amount it would cost to pay gratuity of $2,000 on account of every soldier who saw service in France, $1,500 on account of every soldier who saw service in England, and $1,000 on account of every soldier who saw service in Canada only.

From the figures at present available, I estimate the cost of paying this gratuity would be $983,624.

Yours faithfully,
(Signed) THOMAS COX,
Assistant Director Pay Service
(Demobilization).

By Hon. Mr. Béland:

Q. What is that based on?—A. It is based on official figures.

By the Chairman:

Q. Who prepared this estimate?—A. I did, sir.

Q. Upon what basis was it prepared?—A. The total enlistments in the Canadian Expeditionary Forces were 590,572. Of those 418,052 proceeded overseas, leaving a balance of 172,520 who had service in Canada only.

Q. How many in Canada?—A. 172,520. And 418,052 proceeded overseas. Of them it is estimated that 50,000 did not get any further than England.

This makes a total of 232,520 who saw service in Canada only or who did not proceed further than England. I do not wish to cast any reflections on members of the Canadian Expeditionary Forces who did not go overseas, who did not go into the trenches and who rendered valuable service in this country towards the war. But when we are discussing the military expenditures of this country, when we are trying to do our best to reduce the expenditures of this country, is it not fair to say that, when the Minister of Militia and Defence comes with his Estimates for training men for military purposes, we can answer him, that if a case of emergency were to arise, these 232,520 highly trained men, who enlisted during the war, but who did not proceed overseas, would be available to help us and to protect and defend Canada in such emergency?

While talking about expenditures, I should like to direct the attention of the House to a couple of items in the Auditor General's Report. The House will understand that it would be tedious if I were to go over many items that I could criticise. I have chosen two items showing lack of economy and extravagant expenditure on the part of the Government. At page ZZ-30 of volume 4 of the Auditor General's Report of this year, there is one item showing that J. A. Huot, Ottawa, was paid, by Order in Council dated September 29, 1919, the sum of $25,000 for purchase of patent rights of an automatic rifle attachment. This was one year after the war was over, one year after the armistice was signed. I had an opportunity of seeing the cheque, and it is endorsed to a man in Montreal who made a fortune during the war and who is a very close friend of the ex-chairman of the War Purchasing Commission, Sir Hormisdas

Laporte. I have another item to show how the Government treat their friends. Every one has heard of the Winnipeg strike, and I am not going to discuss the merits or demerits of that strike. I am not ready to blame the Government for having acted in the way they acted in repressing the strike, but the expenditure incurred in prosecuting men who were accused in that strike is extravagant and scandalous. At page ZZ-13 of Volume 4 of the Auditor General's Report, I find that the expenses of prosecution alone during the Winnipeg strike cost the country the sum of $180,259.38 for two of three months of work. The sum of $140,000 was paid to lawyers; one firm alone, the firm of Andrews and Company for their three months' work was paid the sum of $56,000. But I also find something else. During the election of 1917, many good Liberals left the Liberal party quite honestly because in their conscience they felt that conscription was the only measure that would provide for the winning of the war. I have a great respect for those who did that honestly. Amongst them was a prominent lawyer of Winnipeg named Isaac Pitblado. Although a supporter of the Union Government in 1917, Mr. Pitblado, a few months afterwards vigorously denounced the Union Government in bitter words, and everybody in this country was amazed when on October 27, last, the press of Canada gave us the report that Mr. Pitblado, who had bitterly denounced the Union Government, had presided over the right hon. the Prime Minister's meeting in Winnipeg. The Government press made a lot of it. I do not want to connect Mr. Pitblado's action in that regard with an item that appears in the Public Accounts—I will leave hon. members and the people of this country to draw their own conclusions—but I find that Mr. Pitblado for his services as prosecutor in the Winnipeg strike received for 102 days' work the handsome sum of $26,990, making more than $225 a day.

Mr. COPP: He could afford to act as chairman for one evening after that.

Mr. ARCHAMBAULT: Oh, yes. There is another question on which I wish to say a few words, and that is with respect to the shareholders of the Grand Trunk Railway. The House will remember that in the month of October 1919, the exact date, I believe, was October 20, an order of the House was passed at my request for a list of the shareholders of the Grand Trunk Railway appearing on the books of the Company of October 9, 1919. I have repeatedly asked for that list. In the month of November, 1919, the Minister of Justice answered me that the list was being prepared. In the month of June, 1920, the Minister of Railways informed me that it would take seven or eight months to make the list. I got the same answer again on June 26. On May 13, of this year, I inquired of the Prime Minister about that return, and he answered as follows (Unrevised Hansard, page 3427):

> As regards the first order, an order for the names of all the shareholders of the Grand Trunk Railway, that order was passed. There did not seem to be any reason that could be advanced why it should not be passed if it was the desire of the House to approve. But this just illustrates what may be done under the present rules. The Government has no means in the world of getting the names of those shareholders except by grace of the Grand Trunk Railway. We immediately set to work to get them, and since that time the Grand Trunk officials have been reminded time and time again that we desire those names. I do not know of any obligation they are under to give them to us, nor do I know of any way in which we can enforce the request.

Now comes the sentence to which I wish to draw particular attention:

> I am still more at a loss to understand what earthly good the information would be when it comes here. It will likely cost a very great deal of money and the cost will have to be borne by the country. All the Government can do is to request the information, and keep on requesting it, and that the Government has done.

The Montreal Gazette, which has in the Press Gallery a specialist in the art of making newspaper headings, reported the incident as follows: "Mr. Archambault's Curiosity Costing Appreciable Sum. Premier Cannot See Value Of Information Demanded By Member." Then follows the Canadian Press report. The Canadian Press report, I might say, was published in other newspapers throughout the country under the heading of "G.T.R. Shareholders List," without any innuendo or insinuation whatsoever, but the reporter for the Montreal Gazette thought he would serve his cause and the cause of the premier by using the heading I have mentioned.

Mr. Speaker, there are three or four points to consider in connection with this matter. First of all, there was an order of the House passed, calling for a list of the Grand Trunk shareholders. Now, when an order of the House is passed, supported by a majority of the House, I say that it is the duty of the Government to comply with that order, whatever they may think of it. An order of the House is the will of Parliament. The Prime Minister stated

very plainly that many requests had been made to the Grand Trunk people for this list, but when I asked him to bring down the written requests that were made by the Government of the Grand Trunk he made the following answer—I will give my question with the the answer (Unrevised Hansard, page 3428):

> Mr. Archambault: Of course, under the rules I am precluded at this stage from answering the arguments of the Prime Minister, but I would like to suggest that there be brought down the correspondence requesting the Grand Trunk management to make that list.
>
> Mr. Meighen: I do not know whether there is anything to be brought down or not. I remember speaking to Mr. Bell, the Deputy Minister of Railways, who said that he had requested the list just a short time before I spoke to him, and was continuing to request it. Whether there were letters or not, I do not know.

That answer, Sir, appears to me and to everybody a clear contradiction of the first answer made by the Prime Minister. It is clear to me and to everybody that although an order of the House had been passed asking for a list of the Grand Trunk shareholders, the Prime Minister was not au courant—he did not know whether such a demand had been made to the Grand Trunk Company by the Government.

One objection of the Prime Minister and of the Government to bringing down this list is that it will cost too much money. The reporter for the Montreal Gazette says: "Mr. Archambault's curiosity costing appreciable sum." Now is it not clear to everybody that even if the list of shareholders contains 10,000, 50,000, or even 100,000 names, an ordinary typist could copy that list inside of two weeks, and that the cost of copying it would at the utmost be $150, or say even $250? The Prime Minister says:

> I am still more at a loss to understand what earthly good the information would be when it comes here.

Well, Sir, there was £12,500,000 of guaranteed stock of the Grand Trunk. That stock was quoted at 45 two or three months before the proposed acquisition of the Grand Trunk railway by the Canadian Government. It rose to 70 on the 16th October, a clean-up of between $15,000,000 and $20,000,000 having been made. It has not been made by the original shareholders; it has been made by those who had pointers and tips that the Government intended to acquire the Grand Trunk railway by arbitration. It was known in Canada only about October 10 when the measure was brought before the House, and it was evidently known in England before that time. It leaked out in the Canadian Gazette of London on September 18. I may say that I personally met an officer returning from England who told me that as far back as the month of August he had been tipped to buy some of the Grand Trunk stock as it was a sure thing that the Government of Canada would acquire the railway. Sir, this transaction has put millions into the hands of some persons at present unknown, and I am mighty suspicious that there is something behind the determination of the Government to refuse to comply with my request for that list. I can well understand the statement of the Prime Minister that he is at a loss to understand what good the information would be, if he means, what good it would be "to the Government." I am asking for this list, not for my personal benefit, but for the benefit of the public, who are becoming just as suspicious and just as anxious as I am to know who has been tipped and who has made millions out of that speculation.

Now, I will say a few words about what I may call the moral mentality of the Government. My hon. friend from Marquette (Mr. Crerar) was amazed the other day to hear the Prime Minister say: "Cease playing the game; you are deceiving no one; it is not in the interests of Canada and not to the credit of Canadian politics." Sir, can you picture to yourself the present Prime Minister of Canada waxing indignant because he believes that perhaps someone may be playing the game? What a brilliant subject for Molière, if he were alive now! I have no doubt that if that great comedian and inimitable writer were alive to-day he would write on this subject something that would surpass "Le Bourgeois Gentilhomme," "Les Précieuses Ridicules," and even "Tartufe." The Prime Minister, of course, has never "played the game" in his life. I suppose he was not playing the game, but was doing something to the credit of Canadian politics, when he introduced the War-Time Elections Act, when he introduced the Military Voters' Act, and when he introduced the closure. He was not playing the game when he dictated that famous telegram by which votes were assigned to different constituencies. He was not playing the game when he supported, in the election of my hon. friend from Carleton and Victoria (Mr. Caldwell), the famous and notorious Colonel Melville who, before a court of justice, admitted that he had perjured himself in order to vote in the county of Chambly and Vercheres. The Prime Minister took the trouble to go to Carleton

county, I suppose he was not playing the game to the detriment of politics in Canada when, in 1917, he endorsed the racial cry, which is not yet forgotten, if the hon. member for Marquette was well informed when he stated that even to-day, in the election in New Brunswick, the candidate is making an appeal on religious questions; the Prime Minister was not playing the game when, during the troublesome times in Montreal, his Government was engaging a man named Ti-noir Desjardins, who was the prime cause of the dynamiting of Lord Atholstan's house. My hon. friend from Jacques Cartier (Mr. Lafortune), who was the prosecuting attorney in Montreal, knows these facts and knows that the Government, in order to release Ti-noir Desjardins, who had been accused with the other dynamiters, put up a check for $10,000 to bail him out. My hon. friend the Prime Minister was a member of the Government at that time, and he is responsible for their actions in this matter. Yet he dares to come to the House and accuse hon. members of playing the game. He is not playing the game now, but is elevating Canadian politics, when he uses the utmost of his ability and his cunning in the effort to induce members of this side of the House to board the Government boat that is leaking and rapidly sinking. Is it conducive to a high standard of decency and a high ideal of political ethics in this country for him to endorse a candidate in Yamaska, who says of the Prime Minister—I will quote the exact words—that:

> He is the most narrow-minded and the most bigoted politician who sits at Ottawa, a hangman and an autocrat.

I am very glad to see the Minister of Marine (Mr. Ballantyne) in the House. He is right at the back, but I can see him well. When the hon. member for Maisonneuve and Gaspé (Mr. Lemieux) cited that letter the other day, the minister said: "Wait until Mr. Mondou, who is the Government candidate, talks about this letter." Well, he has talked about the letter. The letter was read to Mr. Mondou at a meeting, and he said that while it might have been exaggerated in the papers, he did not withdraw anything that he had said. He said, at Liberal meetings:

> They say that, if I am elected, I shall be made a minister in the Meighen Government. Do not forget the opinion I have of Mr. Meighen and which I have expressed.

Well, Sir, if you were not convinced of the high morals of the Prime Minister in politics, I could convince you by reading that right hon. gentleman's words in defence of the Minister of Customs and Inland Revenue (Mr. Wigmore), who had written to the French purchasing commission, begging for business for his own firm of Nagle and Wigmore, stating that he was Minister of Customs and Inland Revenue. The Premier's words are to be found on page 3181 of Hansard—

Mr. DEPUTY SPEAKER: Order. I am obliged to ask the hon. member to desist from reading those words. He is undoubtedly quite familiar with the unwritten law of Parliament, set forth on page 357 of Bourinot's Parliamentary Procedure where it is stated that a member in speaking cannot refer to anything said or done in a previous debate during the same session.

Mr. ARCHAMBAULT: I was under the impression that the Premier's remarks were uttered during the Budget debate.

Mr. DEPUTY SPEAKER: They were made in committee upon the Estimates of the Department of Customs and Inland Revenue.

Mr. ARCHAMBAULT: Then it was my mistake.

Mr. BUREAU: May I be allowed to remark that in reading Burinot this afternoon I noticed that formerly it was the rule in the English Commons that you could not refer even to a debate of a previous session, but that the tendency of late has been towards the relaxation of the rule, and it is now permitted to do that. I think we ought to have the same liberty in this House and that we should be permitted to cite from a speech made during a previous debate. Otherwise we must give the quotation from memory which would lead perhaps to unintentional misrepresentation on the part of an hon. member whose memory was not faithful to the text. Under the circumstances I think the ruling ought to me made that as long as the member does not abuse the privilege by taking up the time of the House in quoting from speeches made during the same session he should have the liberty of referring to a previous debate. I would like to have the expression of hon. members on the subject.

Mr. DEPUTY SPEAKER: All I can say, in answer to the hon. gentleman, is that the occupant of the Chair acts at all times subject to the judgment of the House, and that his ruling can be reversed by a ma-

jority of its members. I may be permitted to add that the present incumbent of the Speaker's Chair has several times in my hearing during the present Parliament given the precise ruling which I have repeated to-night, and even though I desired to do so, I would not intentionally, during his unavoidable absence, create any new precedents in the House of Commons.

Mr. BUREAU: May I be allowed to say in explanation, although I have no right to speak a second time, that in speaking as I did I intended no reflection upon the Chair, but the suggestion was that you, Sir, as the present occupant of the Chair might take into consideration the tendency in the British House. For my part I think there ought to be some relaxation of the rule in question.

Mr. ARCHAMBAULT: Mr. Speaker, when I referred to the opinion of the Prime Minister (Mr. Meighen) in regard to the letter written by the Minister of Customs and Inland Revenue I was under the impression that that letter had been brought down during the Budget debate. However, I bow to your ruling and will not read the speech referred to. At the same time every one remembers that the Prime Minister endorsed the attitude of the Minister of Customs and Inland Revenue, that the right hon. gentleman stated he was not profoundly moved by the accusation against his colleague, and that it was no penal offence for the minister in question to use his name as a member of the Government, and to write a letter upon Government paper, in order to secure business for his own firm. Sir, I am not surprised at that attitude of the Prime Minister; it is up to the standard of high morality which has characterized this Government. We certainly can call such a letter and such an endorsement "playing the game," and feel that it is doing credit to the politics of Canada!

I now come to a very interesting matter and one with which I dealt to some extent last year, I mean the credits extended by the Government to Greece and Roumania. Although I spoke upon this question last year there have been some further developments, and I believe I shall be able to convince you, Sir, that the high standard of political morality in this country has remained unimpaired according to certain mentalities that we find in this House. Sir, in our efforts to probe the morality evidenced in connection with these credits let us examine the whole subject. It will be remembered that in the month of May, 1919, the then Minister of Finance, Sir Thomas White, asked this House to vote these credits because the population of Roumania was starving and needed food; and I can well remember the right hon. gentleman saying at that time, "Will the population of Canada remain unmoved and not help the population of Roumania which is now starving?" Well, Sir, two credits of $25,000,000 each were opened, one for Roumania and one for Greece. Of this amount, $26,989,000 has already gone and only $3,500,000 has been spent on food. The rest of the credits have served for the purpose of buying goods from the manufacturers of this country. The hon. member for Megantic (Mr. Pacaud) said the other night that the Government of Canada, in answer to a merchant in Belgium who asked that food should be exported from these moneys, said that only one-fifth of the credit to Belgium could be devoted to the purchase and exportation of food. Now, Sir, a return was brought down last year to an Order of the House—I refer to "Sessional Paper No. 147." This return shows conclusively that companies controlled by the Minister of Marine (Mr. Ballantyne), the hon. member for Haldimand (Mr. Lalor), the hon member for Brantford (Mr. Cockshutt), the hon. member for Lincoln (Mr. Chaplin) and the hon. member for St. John (Mr. Elkin) had sold goods for export which had been paid for by the Government. I was under the impression that the disclosures of last year would have had their effect and that there would not be a repetition of any such transactions; but although since April 19, the Government of Roumania has defaulted in two or three payments of interest, and probably Greece also, more of this money has been going to favourites of the Government, and a further sum of $5,342,077.32 has been advanced. On March 4 an Order of the House was passed for a return showing:

1. The amounts loaned or the credits made by the Government of Canada since the 19th of April, 1920. (a) to Greece, (b) to Roumania.

2. The respective dates of these loans or credits to (a) Greece, (b) Roumania.

3. The nature of goods bought by the Government of Canada (a) for Greece, (b) for Roumania.

4. The names of corporations, firms or persons from whom these goods have been purchased, (a) the nature of the merchandise in each case, (b) the amounts paid by the Government to these corporations, firms or persons in each case and also the date of said payments.

Let us examine this very interesting document. Although the Minister of Militia in duscussing the Estimates of his department the other day denied that any goods belonging to the Militia Department had been sold to Rumania or Greece, I find at page 3 of the report the following—I am giving the various sums in round figures:

Militia and Defence:

March, 1920, military equipment..	$36,000
May, 1920, military cloting..	325,000
April, 1920, dubbin	3,000

Mr. COCKSHUTT: If the hon. gentleman does not object, I should like to ask: Does he say that I was a controller of one of the companies that was paid certain sums?

Mr. ARCHAMBAULT: I said that my hon. friend was a director of one of the companies.

Mr. COCKSHUTT: No, you did not use the word "director"; the word "control" was used. I entirely repudiate any such control.

Mr. ARCHAMBAULT: It was a directing control. My hon. friend knows that every director has a certain control of the company of which he is a director; otherwise he should resign—

Mr. COCKSHUTT: I have no control over the company.

Mr. ARCHAMBAULT: —otherwise he should resign as a director of the company, or resign his seat in this House.

Mr. COCKSHUTT: If I could not do better than you I certainly would resign.

Mr. ARCHAMBAULT: That is your opinion. I find also that the Department of Militia and Defence sold to Greece the following:

May, 1920—Brushes..	$11,728
May, 1920—Boots..	635,000
May, 1920—Braces..	8,320
April, 1920—Denim..	38,000
March, 1921—Sweaters..	150,000
April, 1920—Blankets..	876,000

I have grave doubts, Sir, as to the wisdom of the Department of Militia in getting rid of all this useful equipment when the people would have been very glad to buy these blankets, boots, brushes, braces, sweaters, etc., at prices cheaper than our manufacturers were selling them. In the United States the Government opened retail stores for the sale of their surplus military stores at prices lower than those asked by the manufacturers.

Now, my hon. friend from Brantford, whom I might call the "father of protection" in this country, seems to be very sensitive. Well, at page 5 of this return I see that the Brantford Roofing Company received from the Government $65,000 between September, 1919, and June, 1920, for roofing sold to Roumania. I understand that I am giving the figures for 1919 and 1920.

Mr. COCKSHUTT: You are not giving them right.

Some hon. MEMBERS: Order.

Mr. COCKSHUTT: I say your figures are not right.

Mr. ARCHAMBAULT: This return is from the Government, so the Government is not right. Well, I admit the Government is all wrong.

Mr. RINFRET: The figures must be higher.

Mr. ARCHAMBAULT: I must draw the attention of my hon. friend to the number of the report. It is headed: "Sessional Papers No. 147." Last year the company of which he is a director—

Mr. COCKSHUTT: Not a controller, though.

Mr. ARCHAMBAULT: —the Brantford Roofing Company, was paid $36,200. Taking the total for this year as reported at page 5, $65,000, it shows that this year my hon. friend's company got a little less, but still the handsome sum of $28,800.

Mr. COCKSHUTT: Your figures are not correct.

Mr. ARCHAMBAULT: Let us follow up the return. Last year the Welland Vale Manufacturing Company,—of which my hon. friend from Lincoln (Mr. Chaplin) is a director—was paid by the Government the sum of $137,234.87.

Mr. BUREAU: Foodstuffs?

Mr. ARCHAMBAULT: No, edge tools.

Mr. BUREAU: They are not good for the stomach.

Mr. ARCHAMBAULT: Well, the $137,000 is all right for the stomach.

Mr. BUREAU: But not the tools.

Mr. ARCHAMBAULT: This year my hon. friend for Lincoln has not made any speech on the Budget—he did not get any more orders. Next I find that the Maritime Nail Company of St. John, N.B.,—of which according to the Parliamentary

Guide the junior member for St. John (Mr. Elkin), not the minister for New Brunswick (Mr. Wigmore), is a director—had an order last year—I have not the figures exactly, but he got altogether an order for $77,304.95. I find on reference to the other return that this year his company got $8,136.22. Now, we were told by the Government that we had a trade representative in England who had done great things for Canadian trade, Mr. Lloyd Harris. I see by this report that Mr. Lloyd Harris has not forgotten himself: he is a director of Peck's Rolling Mills, and last year that firm got the sum of $26,624.96. Now, this report is very edifying with regard to another company which it mentions. I find that the Dominion Iron and Steel Company of Montreal was paid by the Government the sum of $66,138.48 out of the money of the Canadian people. Turning to page 248 of the Annual Financial Review, dated June, 1920, I find that the directors of the Dominion Iron and Steel Company, Limited, are as follows: Hon. Charles P. Beaubien, Senator, of Montreal; Edmund Bristol, K.C., M.P., Toronto; Stanley Elkin, M.P., St. John, N.B.; Sir William Mackenzie, Toronto; Hector McInnes, K.C., Halifax, N.S.; Lieut-Col. Hon. Frederic Nicholls, Toronto; Hon. Sir Clifford Sifton, K.C.M.G. It is clear, Sir, that no other company dealing in iron and steel had on its board of directors so many friends of the Government, including members of Parliament and senators. The House will remember that last year I brought to its attention the fact that two companies, the Sherwin-Williams Company of Canada, Limited, and the Canada Paint Company, of which the Minister of Marine and Fisheries was a director, had received orders amounting to $31,490 and $11,332 respectively; and I see that the figures are the same in this report. I am very glad I brought the matter up last year, because it seemed to have the effect of making the Minister of Marine wiser; his company did not take any orders during this year.

Now, on page 7 of this report another company is referred to, the Monarch Knitting Company of Dunnville. This company got a "small" order amounting to $293,295.80. I find in the Annual Financial Review of June, 1920, that the hon. member for Haldimand (Mr. Lalor) is managing director of that company. I see that the amount paid to that company this year has been increased by $21,451.32. I notice the name of Stanfields, Limited, of Truro. I do not know whether or not they deal in tomatoes, but there is a senator of that name who is a director of that company—and they got an order amounting to $21,780. I find in the same document that the Renfrew Woollen Mills got an order amounting to $114,041, and if I am not mistaken, Senator O'Brien is a director of that company. Well, Sir, the House of Commons Act, 1906, section 15, which I have already read to the House, provides that if any member is interested in any contract with the Government or sells goods to the Government, his seat is vacated; he is disqualified. It is true that section 19 does not disqualify a shareholder of a company, but nothing is said about a director or a manager of a company holding a great number of shares. I know what the answer of my hon. friends will be; they will say that they have not personally sold to the Government, and that the Government bought not for the Canadian people but for Roumania and Greece. Technically they are right; as a matter of law, we could not succeed if the matter came before the courts. They are within the letter of the law, but, Sir, they are not within the spirit of the law. This law was passed in order to prevent the Government from winning the influence of members or senators by buying goods from them or from companies in which they had the chief interest. What difference is there, Mr. Speaker, between a proprietor and a director owning a great number of the shares in a business? If this loophole satisfies the conscience of my hon. friends, well and good, but the fact remains that moneys have been disbursed by this Government in the purchase of goods from members of Parliament and senators or companies in which they were interested, and that this money will, in all probability, never be reimbursed by Roumania or Greece. This transaction will throw a shadow on the independence of Parliament. But, Sir, it is perfectly in line, as I have said, with the standard of morals held by this Government. The circumstance also affords me an opportunity—and this will be my last word—to throw back at the Government the words uttered in this House by the Prime Minister: "Cease to play the game; you are deceiving no one; you are doing no credit to the politics of Canada."

Mr. H. O. WRIGHT (Battleford): Mr. Speaker, at this late hour, I will not take up very much of the time of the House. At the outset I wish to extend to the Minister of Finance (Sir Henry Drayton) my

sympathy in so far as I realize that he has been faced with a gigantic task in the preparation of the Budget which has lately been presented to the House and, further, in the infinitely greater task with which he will be faced in the future should he retain office. While the Budget that he has presented to the House is of a character that will no doubt be looked upon with favour in some quarters, from the point of view from which I see it, it is highly unsatisfactory, and I think that will be the opinion of the majority of those who regard it from the standpoint of placing the burden where it can most easily be borne. It is a high protectionist Budget, and it contains in every particular the old system of special privilege, the system which seeks to build up an industrial structure without regard to the stability of the foundation upon which it must depend for its safety, a system which says: Let us build up our manufacturing industries; let us create large cities at whatever cost, even though our better judgment tells us that this is primarily an agricultural country, and let the farmer and the wage earner, who are the national beasts of burden under the system of special privilege, continue to bear that burden, no matter how great it may be.

The Budget removes the business profits tax. It is claimed by the minister that there is little use in continuing this tax, for the reason that profits are not being earned and very little revenue would be derived from it. If this be the case, I do not see how any person would be hurt by leaving the tax as it is. There is always a possibility that some revenue might be derived therefrom. It always commended itself to me as a tax which procured revenue from those who could best afford to pay. Under the present Budget, the load is lifted to a very great extent from the shoulders of those who are able to pay and is placed where it will be felt most by those who are living in poor circumstances with large families to support. This Budget is merely another illustration of the contention of many inside and outside of this House, that the present Government is a Government largely under the control of, or at any rate in great sympathy with, the big interests of the country. With its ultra sympathetic tendencies in that direction, it has lost sight of the needs of the common people.

Let me give you, Sir, one or two examples as proof of this contention. It will be remembered by all that a Board of Commerce was appointed in answer to the insistent demands of the people for the control of the prices of the necessaries of life. This board did not control. After futile attempts they resigned, giving as a reason for their resignation the fact that they could not obtain Government co-operation in making their regulations effective. Then the board was reconstituted, evidently with men who were more sympathetic to the suggestions of the Government. Almost their first move was to set the price of sugar, not in the interest of the consumer, but to protect the refineries from the result of their unwise gambling in raw material, at the same time placing an embargo on sugar coming in from the United States. While this order was disallowed by the Government, I am satisfied that it was not made without their knowledge, and only the nation-wide outcry that went up when it was made public, and the fact that the Prime Minister wished to create as favourable an impression as possible before going on his western tour, influenced the Government in setting it aside.

Then there is the increase in the freight rates, and let me not forget the fact that when the Minister of Finance was looking for advice as to how he should levy his new taxes, it is a notorious fact that he went to the Manufacturers' Association and kindred associations for advice, utterly ignoring the labour and farmers' organizations of this country.

In contrast with this, we have the refusal of the Government to continue the Canada Wheat Board, notwithstanding the persistent demands of the grain producers for its continuance. In this connection, I am sure that it will be remembered that several times during this session hon. gentlemen opposite have attempted to fasten the responsibility for the discontinuance of this board upon the farmers, and particularly upon those members of the House who have the honour to be numbered with this party. While their efforts were unsuccessful, in order to illustrate my point that the present Government is largely controlled by the big interests, I deem it advisable to place upon Hansard an extract from a trade journal published in the city of Montreal. This journal is known as the Canadian Milling and Grain Journal. It is published many hundreds of miles from the great wheat fields of the West, and it was evidently the belief of the publishers that they could afford

to deal with this matter with perfect frankness, feeling assured that their words would not get back to the western grain grower. In their issue of August 1, 1920, under the caption "Exit the Wheat Board," I find the following, which is published editorially:

A triumph which is all the more notable because it was won by a minority in the face of well organized opposition, has been scored by the announcement of the Government that the 1920 crop will not be subject to control, thereby opening wide the door for a return to the normal trading conditions which have been so long and so ardently desired.

Ever since the adoption of the Government's "enabling" legislation during the final hours of the last session of Parliament, the grain growers of the country as well as their supporters have been harbouring the conviction that nothing could prevent the continuation of control for another year. Consequently, the official statement which was made just six weeks before the expiration of the present Wheat Board's term of office came upon the grain growers and their friends like a bolt from the blue. In their consternation the growers are wildly threatening to pool their interests but whatever effect this may ultimately have, the fact remains that thousands of grain handlers can get back to work, make plans for the future, and endeavour to repair the ravages caused their business by control.

There is not the slightest doubt that the termination of control and the restoration of future trading in the United States had much to do with influencing the Government's decision but if reports from reliable sources are to be believed the chief reason why the authorities at Ottawa decided in the face of the strongest kind of opposition to abolish control of the 1920 crop was because such was desired by the banking interests which feared, as was the case in many other influential quarters, that another year of control would pave the way for the establishment of a state monopoly in the grain trade.

Then a little further on this editorial continues:

When it was learned in Regina that the Government had decided to discontinue control so far as the 1920 wheat crop is concerned, there was a wailing and gnashing of teeth among the members of the Saskatchewan Co-operative Elevator Company, the Saskatchewan Grain Growers' Association and last but not by any means least the Regina representatives of the National Council of Agriculture who had regarded continued control as a foregone conclusion.

Fair criticism of any project should not be ignored and the disappointment of the other fellow can always be sympathised with, but a decidedly selfish view of the decision of the Government has been taken, according to reports, by a high official of the Saskatchewan Grain Growers' Association who openly deplores the fact that as a result of de-control the grain handlers will endeavour to make up the losses which control imposed upon them, and that furthermore the farmers will suffer the loss of the millions of dollars the grain handlers will make.

There is no pretence here of congratulating the grain growers on having freed themselves from the Wheat Board. Instead, it admits that the grain growers generally wanted the Wheat Board continued, that it was to their advantage that it should be continued, that the people who did not want the Wheat Board were a minority whose interests were not those of the grain growers, and that the victory was a victory gained by the minority at the expense of the grain growers.

While the Business Profits tax has been removed and herculean efforts are being put forth to stabilize the manufacturing industries of the country, in what condition do we find the real basic industry —I refer to agriculture? I have recently returned from the West where I spent a few days superintending the planting of the crop for this year. I think I am, in common with the average Canadian, not of an unhappy disposition, and far too much inclined to live in the present, without very much thought for the future, but the condition that confronted me was such that it brought me up with a jerk, and it has given me food for serious thought.

Last year we produced a fair average crop in the portion of the country where I reside, and in this we were fortunate, for in many districts, farmers experienced their third successive failure. Little benefit has been derived from the high prices brought about by the war on account of these unsatisfactory crop years. The crop of last year was produced under very heavy expense, and when it was finally harvested we were very soon made aware of the fact that we were selling upon a rapidly falling market. Transportation difficulties were met with which prevented the speedy shipment of the grain to market in order to take advantage of the higher prices that prevailed earlier in the season. The result is, that a great deal of last year's crop is still in the hand of the farmers, and the price now obtainable for wheat, after the freight charges are paid, will scarcely meet the cost of production. Oats cost 14 cents a bushel to thresh, and in many cases 10 cents a bushel is the price offered, which means a straight loss of 4 cents a bushed on the cost of threshing alone, without taking into consideration the preparation of the land, seed, twine for harvesting, and the incidential expenses of labour and hauling to the market.

The cattle market is such that heavy loss is the result when a sale is made. Hides are not worth the labour of bringing them to the market alone. Wool will

not pay the freight to the point of sale. Horses have little or no value. The other day a buyer purchased a car of horses in my immediate vicinity at $15 per head, and shipped them to a point where he thought he could sell them; he put them up at public auction, but could not secure a single bid. In the face of these conditions the farmers are going ahead with their seeding operations, putting in every available acre as usual, and trying to make the best of a very bad situation.

If, as a result of their labours, an abundant crop is secured the prospect of finding a market for it is not very bright. Should the terms of the Young Bill be made permanent in the United States it may have the effect of excluding a great portion of our wheat from the American market. This also applies to live stock. With the British embargo on our cattle, and the lack of purchasing ability on the part of the European nations, I cannot see where the outlet is to be found for our produce. The home market, which is so much talked about by hon. gentlemen opposite, may be all right for the truck gardener, but it is of no use for the western farmer.

I am not mentioning these matters for the purpose of creating a bad impression of the future of the agricultural industry in Canada, or merely for the purpose of painting a dismal picture. My object is, if possible, to bring home to the Government the fact that our agricultural industry is facing the gravest period in its existence, and it is my belief that if the Government would take this matter seriously to heart and give it one-half the consideration that they seem to give to the condition of the manufacturing industries of the country, some way could be found to rectify this condition and stabilize an industry without which we have no hope of national prosperity.

While the price of farm produce has dropped to the extent of somewhere in the neighbourhood of two-thirds on an average, it is rather a remarkable thing to find that the price of the machinery necessary to production, in place of coming down, has actually gone up with the single exception of traction engines and threshing machines. The price of farm machinery at the present time is so high that it is absolutely stifling the trade. I know of numerous instances where farmers have gone into town and priced machines that they needed in order to speed up the work of putting in their crops, and finding the price so high that they returned to their farms and put an extra outfit of horses to work, working a double shift on the machinery they already had.

I think it is a pretty well recognized principle in business to set the price of an article just about as high as the trade will stand. The present price of farm machinery is away beyond that level, and my advice to the manufacturer is, if he really wishes to stabilize his industry and get back to the condition where his factories will furnish employment, to make an immediate readjustment of his prices and cheerfully accept his loss, if loss there be, in the same way the farmer is trying to accept his. The longer this readjustment of prices is delayed, the longer will both the agricultural industry and the farm machinery industry be retarded in returning to their normal conditions.

Much is being said as to the desirability of bringing in immigrants to settle upon our unoccupied lands, more particularly adjoining the Canadian National railways. There is no doubt in my mind that, under normal conditions, this would be a very desirable thing to do, but in the present state of the agricultural industry, where the cost of the necessary equipment to start operations is so abnormally high, and the prospect of a market for farm produce so very discouraging, I am afraid that in place of these immigrants, should they come to Canada in any great numbers, being an asset to the country, they would rapidly become a charge upon the state. There can be no doubt that it will tax the resources of some of the old settlers to the utmost to retain their land holdings and continue their farming operations if conditions do not better themselves speedily.

The right hon. the Prime Minister, who occupies in this House the position of leader of the shattered remnants of the defunct Union party, has stated, both here and in the country, that it is the aim of the Progressive party to bring about immediate free trade. From my place in what the right hon. gentleman is pleased to term the dilapidated annex of the Liberal party, I wish to make a statement as to where I stand in this matter.

The term, free trade, has no terrors for me. As a goal to be kept in view and worked for just as speedily as conditions will permit, it is commendable. Democracy and freedom of trade go hand in hand, while the policy of high protection, which is synonymous of special privilege, is the twin brother of plutocracy. In this instance, as is his custom, the Prime Minister has apparently not taken very much

pains to see that his statements were fair to those whom he chose to criticise. If he had said that the Progressive party was absolutely opposed to the policy of high protection, to which he adheres most zealously, he would have been correct.

On September 14 the Canadian Council of Agriculture presented to the Government Tariff Board, then sitting in the city of Winnipeg, a memorandum setting forth their views on the tariff. May I be permitted, Sir, to read a short extract therefrom. Under the heading "A New National Policy", I find the following:

> The Farmers' platform is indeed an attempt to define a New National Policy for Canada, and the principal thought which it seeks to leave in the mind of the Canadian people is that Canada is, and will be for years to come, a pioneers' country. It is based upon the facts that agricultural land is Canada's richest natural resource; that the bulk of it lies in idleness and waste; and that the Dominion's greatest need to-day is people living and working on the land.
>
> Because for 40 years the development of this Dominion has been subject to the influence of a so-called National Policy which has failed to make the most of the true natural source of the country's wealth, the suggestions contained in the Farmers' platform have to do mainly with question of fiscal reform. The bed-rock upon which the Farmers' platform would lay a new national policy for Canada is upon a low customs tariff and upon direct methods of taxation. It does not ask for drastic legislation which would tend to unsettle and injure Canadian industry, but it does take the position that a national policy based upon the principle of protection is wrong. It suggests that the fiscal policy of Canada's future governments should aim at reducing the customs tariff to a strictly revenue basis. Production and trade in Canada have been forced into narrow, unnatural and uneconomic channels through the application of protective duties, and thereby development of vast supplies of natural wealth has been retarded and the Dominion prevented from proceeding favourably towards a realization of the fruitful destiny which nature has intended for her.

In view of what I believe to be a fact, that the Government of this country has always been in the hands of a few who have exploited its resources for their own personal advantage regardless of which party held office, it is borne home to me that there is urgent need of a new and a peoples' party in Federal politics.

I turn to the New National Policy as that which will produce just such a party, and I commend it to your careful and unbiased consideration, as a policy which starts at the real foundation of production and builds its structure upwards, unlike the practitioners of other policies, who attempt to suspend their structure from the clouds.

I support the New National Policy because it is a policy that has sprung spontaneously from the hearts of the people and is not the product of any party machine; because it is framed in honesty and sincerity of purpose and gives equal rights and privileges to all; because it is the policy of those who have learned their lesson in the school of adversity and hard knocks, where human sympathy is most pronounced; because it is the policy of the sane and sensible citizen who believes in supporting properly constituted law and authority.

I Support the New National Policy because its supporters are not trammelled with the fetters of party campaign funds, whose donors exact special privileges for the giving; because it is not tainted with sectionalism, and does not harbour any radical or religious animosities; because it is a policy that will go far to build up a great and united Canadian nation, embracing all creeds and nationalities and welding them into a common Canadian citizenship, thus strengthening the great Empire of which we are a part.

While we live in a wonderful country, and enjoy many privileges that we are truly thankful for, the very abundant richness of our heritage, a gift of heaven itself, unsurpassed by that of any people on the globe, gives us reason to be watchful, for these riches of natural resource are not inexhaustable, and we should see to it that they are not exploited for the benefit of the few, but that they should yield their munificence to every citizen of this great Canada of ours.

I will take great pleasure in supporting the amendment of the hon. member for Queen's and Shelburne (Mr. Fielding).

Mr. W. D. EULER (North Waterloo): Although the Budget affords an opportunity for the discussion of public affairs in general, it is my intention to restrict my remarks to but a few phases, to make some observations with regard to the railway situation, and to discuss briefly the amendment which has been introduced by the member for Shelburne and Queen's (Mr. Fielding).

The Budget which has been presented by the Minister of Finance is not one that has any very outstanding features. One might have thought, after the delay experienced by this House and the people of this country, that something much more profound would have been submitted; but, as a matter of fact, there are only two outstanding features in the Budget that has been

brought down. The minister has abolished the business profits tax, and he has amplified the sales tax of last session. So far as the business profits tax is concerned, I cannot agree with the hon. member who has preceded me (Mr. Wright). I believe that what the minister has done in the abolition of that tax is a step in the right direction, not because I do not think that profits ought to be taxed, but because it is my opinion that they should be taxed after they have reached the pocket of the individual. With regard to the sales tax, after all the agitation which we have had throughout the country and the consideration that has been given to the matter by various public bodies, and the representations that have been made to the Government, it was to be expected that we should have had some sort of modification or amplification of the existing sales tax. I believe, however, that the minister would have been well advised had he given some thought to the exemption from the operation of that tax of the food of the people of Canada.

The minister I regret to say has made no pronouncement whatever as to any steps which he intends to take, which will have for their object an early diminution of the tremendous public debt of Canada, which now reaches the enormous total of nearly $2,500,000,000, and places a debt of no less than $300 upon every man, woman and child in this country. We have no indication that he is making any effort to curb the expenditures of his colleagues in the Cabinet. The Minister of Militia (Mr. Guthrie) and the Minister of Marine (Mr. Ballantyne), for instance, propose to expend in the current year no less a sum than $17,000,000 on military undertakings, at least $10,000,000 of which, in my opinion, could be saved without any disadvantage to the people of this country.

In my opinion, one of the chief duties of the Minister of Finance is to place a brake upon the expenditures of the members of the Cabinet. I believe that, as a matter of fact, all the expenditures proposed in the various departments must pass in review before the Minister of Finance, who is charged with the duty of raising the revenues, and I should be very much surprised if the ministers did not themselves expect that the man who is in charge of the finances of the country, the Minister of Finance, should indeed take occasion to cut down, as far as possible, the very Estimates which they place before him. Yet we have before us at this session of Parliament Estimates totalling more than $600,000,000, and I say that the Minister of Finance has given no indication that he has attempted, to combat the tendencies of the ministers to increased expenditure.

I would like to say a few words with reference to the income tax. In my opinion the collection of that tax, and the methods of its calculation, have been the source of inexcusable worry to the people of Canada. If the Minister of Finance were in his seat, I would like to draw his attention to the remarks made by the Minister of Trade and Commerce (Sir George Foster) in connection with the income tax. That gentleman spoke as follows:

> If by the exercise of any methods that may occur to him—

That is the Minister of Finance.

> —it is possible for him to make it easier for us after this, to make our calculations, I should advise him to do so, and get a name for himself softer, and sweeter and more pleasing than that which now appertains to him when we set ourselves with our pencils to calculate our income tax.

Mr. Speaker, when we consider the fact that the Minister of Trade and Commerce is a colleague of the Minister of Finance, and when we bear in mind the other fact that in these later years the former hon. gentleman has in his heart nothing but charity even for his opponents—I say when we consider these two facts in conjunction with what he said in regard to the income tax, it is a very strong indictment of the Finance Minister for his attitude respecting that tax.

I believe in the principle of the income tax. We have to collect an immense amount of money every year in order to meet our obligations; and I believe that we must collect this money from the men who have it, from the men whose large incomes have been made possible by the opportunities which this country affords to them. But, granting that, I believe also it is the duty of the Finance Minister to make the collection, and the calculation, of the income tax with as little inconvenience as possible to the people who have to pay it. The present method seems almost to have been devised with a view to confuse and irritate the public unnecessarily. With two kinds of normal tax, and the varying rates of surtax, crowned by the entirely arbitrary and quite illogical special tax of five per cent on the sum of the other taxes—for which I presume the Minister of Finance could find no good name—with the various exemptions and the puzzling interpretations

which are placed on the clauses of the law throughout, I say that the income tax of last year was nothing less than a nightmare to the people of this country. It seems to me that it could be made more simple and yet obtain as much revenue as has been obtained in the past and possibly more. It looks to me as if the minister has intended to make the income tax and its collection as difficult and perhaps as disagreeable, for the people, as possible. It reminds me of the homely riddle in which the victim is asked this question: "What animal is it that has feathers, lays eggs and barks like a dog?" In due course the victim gives it up and the propounder of the riddle says: "Well it is an ordinary barnyard hen." The one to whom the riddle had been submitted, says: "But why do you say it barks like a dog?" "Oh," says the other, "I just put that in to make it more difficult." It seems to me the same thing may be said of some of the provisions of the income tax as it stands now—they were put in to make it more difficult.

The Government, and the Minister of Finance in particular, have spread throughout the country the propaganda that we should not buy so much in the United States, the object, of course, being to relieve the exchange situation which now operates so heavily against us. Well, so far as the exchange situation is concerned, I make no pretense at being an expert in economics, but I think we have a good deal of aimless guessing with regard to the cause of the prevailing unfavourable rate. I have a suspicion myself that what governs the rate of exchange is just the same old principle that applies in ordinary business. When a man gets himself deeply into a hole and has such heavy obligations that the public have a suspicion that he may not be able to pay those obligations; then his dollar is usually not worth quite as much as the other man's when he goes to buy. His credit is impaired. That I think is just the condition of Canada. Our debt is so extremely heavy that our neighbours to the south of us have not just that confidence in our ability to pay that they had at one time. But with regard to the propaganda that has been carried on—I will not say improperly carried on—that we should not buy so much in the United States, I think the Minister of Finance might at least persuade his colleagues, and more particularly the Minister of Public Works, to practise what he himself preaches. Last week in raising my eyes to the gallery opposite I observed that a new clock had been placed there and another one on this side. Upon making examination I found that these clocks were made in the United States. I would like to know why the Government, consistent with its injunction to the people of Canada, did not purchase these clocks in this country. There is a factory in the Dominion which makes excellent clocks and it is located at no less a place than the city of Kitchener from which I come.

With regard to the methods of raising revenue, which are always a feature of the Budget, I would be glad to see them simplified as much as possible. Indeed, I would suggest that the methods of raising the revenue might very well be consolidated under three principal heads. We have the customs tax, which in its very nature has certain limitations; we have the income tax which, although we may be able to obtain from it from year to year a larger sum of money, also must have its limitations; and we have now the sales tax which can be adjusted to whatever degree may be necessary. If these methods were followed I would like to suggest to the minister that he abolish some of the smaller aggravating methods that are now followed of raising taxation, and which, in some respects, defeat their own purposes. I would have him, for example, abolish such irritating methods of taxation as the licking of stamps and placing them upon checques, notes, drafts and commercial paper of various kinds. He might just as logically place in force the old window tax which used to obtain in England many years ago; he might just as well tax a man because he has eleven rooms in his house instead of seven; there would be just about as much reason for doing so. I would also suggest to the Finance Minister that he might very well consider taking the war tax off postage. Many years ago we had three-cent postage and a former Postmaster-General, Sir William Mulock, reduced the rate to two cents, with the result that he converted a deficit into a surplus. I believe that the same thing might be possible now. I am not suggesting that the postage should be reduced to two cents with a view of bringing a smaller amount of money into the treasury of Canada; but I believe it would be a relief to the public, and the Government would receive just as much revenue, if the postage were reduced from three cents to two. That method has been followed in the United States, which had a three-cent rate during the war, but reverted to the two-cent rate shortly after the war ended.

I am surprised that the Minister of Finance has had so little to say about our national railway enterprise, which is making such great demands upon his revenue. Despite the heavy loss of the past year, which we all regret, and despite the propaganda that has been—deliberately by some and innocently by others—spread throughout the country against public ownership of railways, I may say that I still have some faith in the ultimate success of our public ownership experiment. It is only now that the country is obtaining control of the Grand Trunk Railway system, and for that reason it is only now that we will be able to co-ordinate that system with the national system, both being necessary for the welding together and the formation of a system which will be complete in itself and will offer some possibility of economic operation. But it will take some time to accomplish it. It cannot be done in a year or in two years. In this House the Canadian Pacific railway is repeatedly pointed to as being all that is efficient in the way of railway operation, and I quite agree with that view; but we should not forget that that railway, too, had its difficulties in its early years. Indeed, it has its difficulties to-day. During the past year even the Canadian Pacific railway would not have been able to pay its dividends from its railway operations alone; it was able to do so because of the inclusion of its earnings from hotels, land sales and shipping.

I am going to refer again to what I have said in previous sessions with regard to the management of our national railways. I held in 1919 that the cause of public ownership would receive a black eye if the management of the national system was not placed in other hands. I do not desire to reflect upon gentlemen who probably are doing the very best they can, but it does seem to me that with so much at stake it was the duty of the Government to place in charge of that system men who had made a success of the railway business, not men who had failed on a smaller scale and expect them to manage successfully a much greater enterprise. It was also necessary in my opinion when we entered upon this great public ownership project, to place in charge men who had not behind them a record of constant and consistent opposition to the principle of public ownership. In that regard, Mr. Speaker, I think the Government has not done its duty, and I trust when the Grand Trunk system is united with the national system that a board will be placed in control of the reorganized system that will be the best that it is possible to obtain, no matter what the cost.

With regard to the proposal made by Lord Shaughnessy to the Prime Minister, it seemed to me that it was merely the culmination of one stage of the propaganda which had for its ultimate purpose the sole control of Canadian railways by the Canadian Pacific Railway Company. The proposal of Lord Shaughnessy suggested that the national railways be combined with the Canadian Pacific railway; that the Grand Trunk railway be cut adrift to work out its own salvation, if it could; that the control of the national railways be taken away entirely from Parliament and become to all intents and purposes the enterprise of the Canadian Pacific; and that the Canadian Pacific stockholders and security holders should be guaranteed for all time to come, by the Canadian Government, a fixed dividend upon their holdings. That looks to me, Mr. Speaker, like a very good proposition for the Canadian Pacific Railway shareholders, but I do not see where the Dominion of Canada can possibly be the gainer. One would have thought that when Lord Shaughnessy made that proposal he would have tried to make it somewhat attractive to the people and the Parliament of Canada; but when we examine it, we find that in the sequel, all he can figure out as a result of the combination of the two systems and their operation by the Canadian Pacific Railway management is a deficit of $80,000,000, as compared with our own little $70,000,000 that we have now. In my opinion, a few years of that sort of thing would so disgust the people with the whole proposition that they would be very glad to hand over the national railways to the Canadian Pacific company and wash their hands of the railway business, and public ownership would be dead for many years to come, probably for all time. In the interim no doubt the Grand Trunk Railway would find itself in the difficulties that it encountered before the Government came to its relief, and the natural result would be that the Canadian Pacific Railway Company would ultimately come into possession of the Grand Trunk system, and we would then have a railway monopoly such as exists in no other part of the world. That may be a far-fetched conclusion, but it seems to me that the probabilities would be entirely in that direction. I have no hesitation in express-

ing the opinion that the people will not for one moment stand for that sort of thing. I am sure they would say: Sooner than have such a railway monopoly we will take our annual losses for a time and try to work out our own railway salvation. It should be remembered, moreover, that the object of public ownership is not the making of profits but the rendering of efficient service to the public.

In concluding my remarks, I want to deal very briefly with the amendment that has been offered by the hon. member for Shelburne and Queen's (Mr. Fielding). I do not propose to debate any fine economic theories; in fact, I am not concerned whether the tariff is called a tariff for revenue or a tariff for protection; but I am interested in the results obtained, no matter under what name. There are few men, in Eastern Canada at least, who do not admit that for a great many years to come this country must have a tariff of some kind. The obligations of the war leave us no option in the matter, for we are under the necessity of raising half a billion dollars or more each year. Even with the heavy taxes that we have now we find ourselves quite unable to reduce our enormous capital indebtedness. As the Minister of Finance told us in his statement, during the past year, in spite of the large revenues received, the national debt was increased by a round $100,000,000. So, as a matter of fact, a tariff we must have. If you have a tariff for revenue—and this is the point I desire to make—you have also in practice, a tariff which protects.

I do not think there is any escape from that. The amendment says the tariff is a tax. Well, to the extent to which you tax imports just to that extent do you place a handicap upon the foreign manufacturer. If your tariff tax handicaps the manufacturer of a foreign country, it must follow necessarily, that it benefits the Canadian manufacturer. If the tariff is extremely low, it may not, as my hon. friends opposite might say, protect adequately. If it is extremely high, it gives a degree of protection that becomes monopolistic and unduly burdensome to the consumer, and I am not in favour of that kind of tariff. But most reasonable men in Eastern Canada—and I hope some in Western Canada—believe that there is a wise middle course; that Canada should have a moderate tariff which will maintain such industries as we have; that will still leave the field open to competition and provide revenue by means of a customs tax upon imports. So that I am quite content, Mr. Speaker, to have hon. gentlemen on the other side argue with hon. members on this side as to what they are going to call the tariff so long as the desired results are obtained. Morever, I will say quite frankly, that one of those desirable results, in my opinion, is the preservation of Canadian industry and the conservation of the interests of the Canadian workingmen. In the city from which I come, the city of Kitchener, and in the town of Waterloo, there are upwards of 150 manufacturing industries; in the whole of the riding there are probably 175 manufacturing establishments giving employment to many thousands of workingmen. I am not going to say what a tariff should be; I am not in a position to say that. But I do say that I have no intention whatever at any time of supporting any sort of legislation which would imperil the interests of the workingmen of the constituency which, I represent.

I believe, further, Sir, that Canada had a most admirable tariff during the fifteen years of the Laurier Administration and when the hon. member for Shelburne and Queen's (Mr. Fielding) was Minister of Finance. Designate that tariff as you like—I am not taking any issue on that point with the hon. member for Shelburne and Queen's—it is a fact that during that period Canadian industry flourished as it never did before. And we have the significant fact—at least it is claimed to be a fact by the Prime Minister—that the Borden Administration or the present Government have not revised upward the tariff of the hon. member for Shelburne and Queen's, and that it is the same tariff. Indeed, I was rather surprised to hear the Prime Minister make the remarkable claim the other day that his Government, or the Government which preceded his—I do not know just exactly where one government ends and the other begins—he had reduced to 21 per cent the average tariff rate under the Laurier Government, which had been 26 per cent. So I repeat that I am not very much concerned with names and theories. If a liberal Government were in power I would have no fear that it would injure Canadian industry at this time any more than it did in the years between 1896 and 1911, and I do not believe hon. gentlemen opposite believe that such an Administration would injure Canadian industry. I will say further that if I did not feel secure on that point; if I had any doubt that the general tenor of the amendment submitted was in accord with the position

I have taken, I would have no hesitation whatever in voting against it. I want to assure hon. gentlemen right now that I have no such fear.

After all, Mr. Speaker, the interests of all the people of Canada should be regarded as one. No sectional advantage should be sought. In a far-flung country such as ours, with its diversified interests, there must be some compromise. The western farmer in many cases desires free trade or a very low tariff; the eastern manufacturer, perhaps in too many instances, though not in all, would like a prohibitive tariff. Let each yield what he can for the general good. In Ontario at least—I think in all parts of this country—the prosperity of the city means prosperity for the farmer, who recognizes that the city man is his best customer.

The present Government, Mr. Speaker, hopes to be returned upon an issue which, I contend, important as it is, is not the paramount issue in this country—the matter of the tariff. The Government would distract the minds of the people from its misdeeds, its many errors of omission and commission, its autocracy, its extravagance, and its continued usurpation of power. But the Canadian people will not be misled by any tariff herring that the Government is drawing across the trail. They are waiting as patiently as they can; they know their minds with regard to this Government, and they await but the opportunity to remove it. Whatever party or group attains to power, the industries of Canada will be just as secure as they were after 1896.

In conclusion, Mr. Speaker, I would like to refer to the speech of the Prime Minister last Friday. He did me the honour of addressing some of his remarks to me, as also did some of the hon. members who have preceded me in this debate. The Prime Minister, after describing this amendment as being in effect a protectionist amendment—I do not think I do him any wrong when I interpret his remarks in that way—further described me as a protectionist. If he was quite sincere in what he said—and I do not doubt that he was—I cannot quite understand how he should have any doubt as to how I should vote. If the amendment is a protectionist amendment and I am a protectionist, naturally I would support the amendment. While his whole speech was an effort to prove that the record of the Liberal party in office was protectionist and while he expressed his conviction that it still is so and that the amendment, in part at least, bears out that contention, he intimates that in some respects there is inconsistency in the motion before us, and he is curious to know which part of it I am going to support. Well, even if what he says with regard to inconsistency were true, a decision under all the circumstances should not be very difficult. The Prime Minister, of course, knows just as well as any one, and better than most persons, that he and I must vote for the amendment as it stands, in whole and not in part. He said on Friday that he was quite in accord with a good many portions of the amendment submitted by the hon. member for Shelburne and Queen's. That being the case, I assume that he would like to vote for those portions. He asked me which part I intended to vote for; I might very well ask him the same question. The amendment calls for the encouragement of industry based upon the natural resources of this country. It asks that readjustment of tariff should have in mind existing conditions of trade; that any changes should cause the least possible disturbance of business, and, further, that such changes should reduce the cost of living. I am quite sure that the Prime Minister (Mr. Meighen) is in accord with these principles; but will he for that reason vote for the amendment? Of course, there is only one reply. While he has laboured to show that both Liberal practice and the present amendment are in accord with his tariff policy, he will regard the vote on the amendment as a vote of want of confidence. I have no particular fault to find with that. Like himself, I believe in the principles which I have just enunciated, but I differ from the Prime Minister on one very vital point. I have no confidence whatever in this Government. It obtained office by unfair means; it obtained office by a Franchise Act which did not give to the people of Canada an opportunity for a complete, unprejudiced and unbiassed expression of opinion. It continues to hold office to-day in defiance of the will of the Canadian people. That is true. If any proof were needed, one need only to look to the left and see the wholesale defections that have been made from the party across the way. If any further proof were needed, one need but observe the results of the by-elections since this Government or the government of the former Prime Minister (Sir Robert Borden) came into power. I believe I am correct in saying that the government since 1917 has not won a single by-election from its opponents, whoever

they may have been, but it has lost many seats held by its supporters. It has lost Glengarry and North Ontario.

Mr. LALOR: How many seats have the party which my hon. friend supports in this House won in the by-election?

Mr. EULER: We have won some. I will name some in a moment. The Government has lost Glengarry, North Ontario, Temiskaming, Carleton, Assiniboia, East Elgin and West Peterborough. It is a most unprecedented condition of affairs that a Government in power, from the day that it took office, has not been able to win a single by-election from its opponents, and has lost the number which I have enumerated. What is the result of that? As a result, it is an undoubted fact that the Government is weak and reactionary. It has not to-day the courage even to maintain the occasional good legislation that it has enacted. To-day, at the command of its patronage-hunting followers, it is prepared to sacrifice its Civil Service Act just as that law was beginning to be shaken down into good working order. I give the Prime Minister all credit for courage and ability, but he cannot carry the burden alone; he needs assistance, and yet he dare not complete his Cabinet because of the necessary by-elections. His position is too weak to-day to enable him to rid himself of a minister who uses his public position to advance the interests of the firm of which he was a member. I would put the challenge to the members of the Government who are now in their seats, to say whether they approve the action of the Minister of Customs and Inland Revenue (Mr. Wigmore) in writing that letter. I believe that there is not in the House to-night a minister who does not in his heart, and probably in some other places, condemn to the utmost the action of his colleague in this matter. Further, the Prime Minister is put to the necessity of enacting an election law disfranchising 100,000 British subjects who might vote against him, and even then he dares not put his fate to the touch in a general election. I have no confidence in such a Government, and the people of Canada have no confidence in it. There is nothing that the people desire more than an opportunity to remove this Government from office. For that reason as for other reasons which I have already given, and because I know that my constituents would resent anything that might be construed as an expression of confidence in this Government, I have no hesitation whatever in supporting the amendment.

Mr. J. J. DENIS (Joliette): Mr. Speaker, on the morrow of the evening on which the Budget was delivered, one could read on the front page of the outstanding newspaper. the Montreal Gazette, the following headline:

Budget meets approval and disapproval. Government members and industrial interests satisfied.

Those words in the Gazette were true, in fact, much more so than many of us could readily realize. The Budget has satisfied two groups of the community if it has satisfied no others—Government members and industrial interests. As regards the first group, namely, the Government members, my esteemed colleagues in this House for whom I have the greatest personal regard, I have but little comment to make. Every one of us in this House has to bear the responsibility for his actions, and he must answer to his electors for his conduct in Parliament. My hon. friends opposite will be called upon in due course to render to the electors an account of their actions and of the vote which they will give on this Budget. Happy will they be, however, if in order to justify their vote, they can put forward some better reasons than the sole desire to give support to the present Administration. So much for the alleged support of Government members.

But what concerns me more in this matter and what concerns the people of this country is the approval of the Budget by the industrial interests. May I say that the industrial interests are not the only ones who are satisfied with this Budget? The whole group, generally comprised under the term of "interests," is satisfied with it. To use an expression very common on the other side of the border line, the "interests" are satisfied, and for any one who knows what the "interests" are, no further explanation should be necessary. For the average person who does not know of the "interests," it is well to mention that the "interests," generally speaking, and in the broad sense of the word, include capitalists, manufacturers, speculators, and also profiteers. That is the particular class commonly called the "interests" as opposed to the ordinary common people, the poor people and the well-to-do people. Any one who has perused the Budget should not be surprised to hear that the "interests" are satisfied, because this is a Budget framed with the obvious intention of satisfying the "interests." But what about the common people, the poor people who represent 90 per

cent, or perhaps, more of the population? Are those people satisfied with the Budget? I say that they are not. They cannot be satisfied, because this Budget adds enormously to the taxes which already bear heavily upon them. To my mind, Sir, the Budget can be properly described in a four-word sentence, as "the poor man's burden." It is the poor man's burden in that it imposes upon the common people, the poor people, and the middle classes the taxes that should be paid by the rich—by the interests which I have just described. It is the poor man's burden because it imposes upon the poorer classes heavy additional burdens, when that class is already taxed to the breaking point.

One of the taxes that must bear heavily on the poorer classes and the working classes generally is the sales tax in its new form. This tax was already heavy, but this Budget makes it much worse. A sales tax of 3 and 4 per cent is a tremendous tax upon the poor people, while it is hardly a tax at all on the rich. This new sales tax will be added directly to the price of commodities, and as the larger part of the consumption of the nation is represented by the family budgets of the poorer classes and the lower middle classes, almost the totality of the tax will rest upon the masses of the people. As the poor spend the largest portion of their income on commodities, the sales tax will bear most heavily upon them. It will increase the cost of living at a time when the Government has been so strongly urged to reduce the cost of living, and when so many assurances have been given by the Administration that efforts were being made in that direction. The sales tax rests essentially upon a false and unjust principle, the basic iniquity of it being that it ignores the ability to pay, as well as the difference in circumstances. No wonder the interests are in favour of the sales tax, because they know that this tax in a large measure will shift the burden of supporting the expenditure of the country from their shoulders to the shoulders of the poor and the moderately well-to-do. It is hardly more commendable than a head tax would be. A head tax would indiscriminately place upon the head of the poor the same tax as upon the head of the rich. This sales tax works in the same way to a large extent. This tax is not a wonderful discovery at that. In the United States Senator Smoot has introduced into Congress a Bill providing for a sales tax of 1 per cent that is being very strongly criticised in many quarters. Now if a sales tax of 1 per cent is depre-

cated in the United States, there are good reasons for contending that a sales tax of 3 and 4 per cent in this country makes the taxation the poor man's burden.

The next increase in taxes which we find in the Budget is an increase in the taxes on spirits. Last year, and the year before, heavy taxes were imposed on wines and spirits. The taxes on wines are maintained this year, and the taxes on spirits doubled. I say again, this new tax on spirits and the maintenance of the heavy taxes on wine will bear heavily on the poor man. If the consumption of wines and spirits is to be allowed in this country, why should those using those commodities, if commodities they are, be called upon to pay such an enormous tax as the Budget imposes? Again, why should a particular class of the community, the class that is using these beverages, be penalized, for the new taxes have been raised to such a point that they have become equivalent to a penalty? According to the principles of sound economics the burden of taxation should be imposed as much as possible on the community generally, according to the ability of each class or each individual to pay, and not upon one particular class or group in the community. The new taxes are in direct contravention of these principles, and again, the reasons which I alleged a few moments ago with regard to the sales tax apply equally to these new taxes on wines and spirits. It is little or no burden for the rich to pay these taxes, but it is a very heavy burden for the poor to pay, and these beverages will in the future be available only for the rich. If the poor man wants to make use of them, he will have to neglect his duty of looking after his family, or give up the use of some other commodities. In stating this, I do not intend by any means to be understood as making a plea in favour of wines and spirits; far from it, but I say that we must be logical. If these beverages are to be allowed in this country, let them be allowed for everybody; if they are not to be allowed for everybody, let them be denied to the rich as well as to the poor. Under the new system of taxation they are allowed to the rich and denied to the poor. If the poor man wants these beverages he will have to pay an enormous price, and of necessity deprive himself and his family of other needs. For these reasons, I say that the maintenance of the taxes on wines, which were already very high, and the doubling of the taxes on spirits, make the taxation the poor man's burden.

I now wish to pass to a question which has been very thoroughly discussed before in this House session after session, but which seems yet far distant from solution; I refer to the railway problem which confronts Parliament at the present time. It is a stupendous problem. The Minister of Railways (Mr. Reid) in making his annual statement on March 17 last said:

> What is the best way to improve the situation? I am ready to take, in fact I seek, advice from any or every member of this House, or whoever may be able to make any suggestion of value.

What a pity, Sir, that the hon. gentleman did not before this year appeal to the House for advice and suggestion, because in past years, before it was too late, he could have received very good advice from this House. But he has not shown any real inclination to accept any advice. The Government have made a terrible mess of their railway policy, and now they have reached the point where they do not know what next to do. They are in a state of despair. The minister admits the failure of his administration; he throws up the sponge and, with hands uplifted to high Heaven, he cries for help. Sir, I do not believe that any suggestion which hon. members of this House might offer the minister with regard to the railway situation would be of any avail, because we know from past experience that the Government does not really want advice; and even to-day their request for suggestions is only pretended. They want it to appear to the country that no advice is offered on this side of the House, and their object is to try to make every party share the responsibility, which belongs to them alone, for the present calamitous state of affairs in connection with the railways.

The position of the Minister of Railways might best be illustrated by the following illustration: Let us suppose a rich man to be the owner of a magnificent boat. He hires a captain to take charge of that boat and safely pilot her. The pilot, against the orders of the owner, steers the boat into dangerous currents and finally lands her on the reefs, partially destroying the boat. Having done that, he comes to the owner and asks for advice. What would the answer of the owner be? What would any practical man do in a case like that? I cannot conceive of anything else than this answer, on the part of the owner: "You have carried this boat into dangerous waters against my orders; you have disobeyed me; you have stranded the boat on reefs, and have destroyed it, partially, if not completely. The first thing for you to do is to leave the helm as quickly as you can, for I am going to place some one else in charge." Now, in the case in which we are interested, the owners of the ship—the ship of state—are the people. They have charged the Government, which is the pilot, with the responsibility for the safe conduct of this ship, but the Government has directed the boat on to the rocks. Time and again they were warned against sailing the boat in dangerous waters, but they disregarded every signal of danger, and now that the boat is wrecked, they come asking for advice. Well, there is only one answer which the people of the country can give them, and it is this: Leave the helm; we have no confidence in you, you are not worthy of the trust we placed in you, because you deliberately disobeyed our instructions, and now that you have stranded the ship, we will put some one else, who is capable, at the helm. The point at which the comparison ceases is this: in the first case, the owner would have no difficulty in immediately replacing the pilot; but in the present instance, the people, who are anxious and only too ready to displace the pilot, are just waiting for the opportunity to put another and more competent one, in his place. A better pilot and crew are available, but for the time being the people are helpless. However, the time will soon come when they will be able to dismiss the captain and crew at present in charge of the ship of state and put in their stead others who will be able to steer clear of the banks and shoals after the ship has been repaired.

In his speech on the railway situation, the Minister of Railways submitted a financial statement. Last year he admitted a deficit of $48,000,000, in round figures, in the administration of the railways, and this year he admits a deficit of $70,000,000. To say the least, the increase calls for comment, and it would be staggering even were the figures of the minister correct. But his figures are far from being accurate and complete. The minister's accounts give only half the truth. I will not say that he is trying to deceive the people, but I do say that his method of book-keeping is unsatisfactory, because it does not reveal the true financial situation of our railways and the full extent of the disastrous result of the Government's railway policy. On

March 19, 1921, two days after the Minister of Railways had delivered his railway Budget, Mr. John Lambert Payne, former Chief Railway Statistician for the Canadian Government, published in the Montreal Daily Star a startling article giving a summary of our railway situation. According to the statement made by Mr. Payne, whose authority on railway matters is not, and cannot properly be, disputed, the book-keeping of the Railway Department is wrong and does not disclose the true capital accounts. According to the statement by Mr. Payne, the total deficit on the railways for the year 1920 is $128,829,330 instead of $70,000,000, as admitted by the Minister of Railways. Any one who peruses the statement of the Minister of Railways, compares Mr. Payne's statement with it, puts the two together, and tests them, will inevitably come to the conclusion that the statement of Mr. Payne is accurate and must be taken as representing the facts with respect to our railway situation in so far, at least, as the deficits are concerned.

Under the circumstances is it not apparent to you, Mr. Speaker, that our railway situation calls for immediate action? Any one who would deny this would be ignorant of the terrible situation in which this country is at present placed as regards our national railways. That immediate action should be taken is the least one should ask for. Yet what are the Government doing? They are not doing anything. They are simply carrying on aimlessly and hopelessly; they stand pat on the railway situation. While that situation alone would be sufficient to drive the country into a bottomless pit of deficits the Government stand pat. Sir, this is not the time for the Government to act as stand-patters. This is the time for action and for immediate action, and it would be nothing short of criminal on the part of the Government if immediate action with respect to the railway situation was not taken—in fact, the Government should have taken such action long ago. In the beginning they should never have acquired the systems of railway which they now have, but having acquired them they should immediately have set themselves to the task of placing the operation of those railways on a sound basis. The Minister of Railways calls for advice, but what did he or the Government do at the time of the acquisition of the Canadian Northern and Grand Trunk railways? Certainly the minister will not complain that advice was not given him at that time. Day after day, week after week, the Opposition fought in this House in order to prevent the perpetration of that nefarious transaction, but the Government had made up their minds, that they were going to acquire these railways and they did acquire them. They did so by using all the means at their disposal, including the application of the closure. They used every method in their power to perpetrate a transaction which for all time will remain as one of the most lamentable transactions of which any government was ever guilty. Now that they have done this they ask for advice, but the advice given to them will not be heeded. They ask for advice before the public, but in Parliament they will take no advice. The Government have not the courage to cope with the present railway situation. They do not dare to attempt to initiate any new railway policy; they merely ask for advice in order to try and show that they are acting in good faith. But it is useless to give them advice; they are stand-patters while this railway tragedy is developing, and the people of the country are being bled to provide the hundreds of millions of dollars necessary to meet the deficits indicated in the railway budget of the Minister of Railways.

If any advice should be given certainly one can say with reason that no panacea exists for the railway situation. The remedy which should be applied is not one which can cure in a very short time, even if it could ever cure at all. The proper thing to do is to adopt different remedies, different means, which, working together and tending in the same direction, will help to extricate our railways from the situation in which they now are. If the matter were in my hands I would, in the first place, ask that a board of responsible people be placed in charge of those railways. I would in the second instance ask for the application of the strictest economy. I would also demand the kind of immigration which we need in this country in order to develop it and provide a revenue for our railways. I would also consider, if not adopt, the scheme of Lord Shaughnessy which was placed before this House a short time ago. What we need first, Sir, is a responsible board to govern our railways. The present board are not responsible in the real sense of the term. True they are responsible to the Government, and the Government are responsible to Parliament and the country, but there

is no liaison, there is no tie between the Government and that Board of Management such as would make the latter a responsible body. The present Board of Management have no interest whatever in the operation of our railways. They can spend money on these railways like drunken sailors if they want to, and they are not any the poorer or the richer at the end of the year whether they do or do not spend money lavishly, whether they give or do not give a good administration. How can you expect under such circumstances that a board of management, honest though they may be, could ever operate any concern or any company with success? I say it is absolutely impossible because the very basic principle, the very foundation, upon which that board are managing our railways is wrong. In order to have a good management we must have a responsible board. We must have a board responsible to somebody, a board whose actions can be checked and controlled by somebody—a board that can be censured when they make mistakes, a board like that of the Canadian Pacific railway as much as anything of the kind can be created in connection with the management of our railways.

To give you an example of how absolutely helpless the people of Canada are with regard to relieving this railway situation—except paying the deficits each year which is the part, and the only part, they are playing in the game—I will give you an example of what happened not very long ago in Joliette, the town from which I come and which I have the honour to represent in this House. The Canadian National Railways have a line from Montreal to Quebec which passes through the city of Joliette. Last year improvements or repairs, I do not know exactly which, were made to some of the bridges at and near Joliette. As a matter of fact on the bridge spanning the L'Assomption river, in the city, work has been in progress for about one year. It appears that the work has been so badly managed that about a month ago the bridge by some accident was partially destroyed, and as a consequence all the Transcontinental trains for several days had to be diverted and run over other lines. Can you imagine, Sir, the enormous loss to the Canadian National Railway system as a result? Being aware of these facts I asked the Minister of Railways recently, when the Estimates of his department were before the committee, if he knew of any contractors by the name of Fletcher and Company who were working on that bridge, and if he had any knowledge of their work. The minister and his deputy examined the books of the department, but could not find a single entry in relation to the building of this bridge, and therefore the minister said: "Seeing that this matter is not in the hands of the department of Railways and Canals, it must be in the hands of the board of management, and consequently I must take it for granted that this bridge is being built or repaired by the board." That is the end of it; after the minister has said that, no one can go any further, because the board of management is an irresponsible body. If the Government were responsible we could find out who was paying for the damage, and so on, but in this case we are helpless. All the people have to do when they are told that the board of management is responsible for any error or misstatement is—to pay the bill.

Having asked for a responsible management, I would also ask for efficient operation of these lines. Of my personal knowledge I know that an enormous number of claims are being made against the Canadian National Railways for losses of freight and express in the province of Quebec. It appears to me that there must be something wrong with the management when so many losses are happening. I was called upon by a client, not very long ago, to make a claim for seven pieces of baggage which had been lost. What about it, Sir? The claim is made against the company, and the company answer that they will give the matter their attention. Generally that is the last we hear of it. After that action has to be instituted in the courts, the company come along in due time and either settle the claim or defend the action, and in the latter case it has to pay both the claim and the costs. It would be extremely interesting, Sir, to know the number of claims that the Canadian National Railways and the Canadian National Railways Express are paying each year. I believe it would be found that by comparison they are losing more baggage, freight and express than any other railway in the country. This again I attribute to bad management. But the management not being responsible, what are the people to do? All they can do is to make claims for their losses and enforce payment, which in the long run the people at large must pay.

Now, Sir, a remedy which in my estimation would certainly be of some value would be a proper immigration policy.

Speaking on this question on March 21 last, Mr. E. W. Beatty, President of the Canadian Pacific Railway, gave the following interview to the Canadian press, which I find reported in the newspapers of the same date. It reads as follows:

E. W. Beatty, K.C., president of the Canadian Pacific Railway, interviewed by the Canadian Press on the subject of the deficit of $69,593,441 on the last year's running of the Canadian government-owned railroad systems, said that without immigration the prospects of the Canadian National lines were, in his opinion, hopeless and any legislation which would stem the tide of desirable immigration must inevitably pile up further deficits. It was, he said, an aggressive immigration propaganda that built the Canadian Pacific Railroad and he claimed that Hon. T. A. Crerar, leader of the National Progressive party, struck the right note when he declared before the Canadian Club in Montreal recently, that a wise and vigorous policy of immigration would help solve the problem.

Mr. Beatty added: "I quite agree with those who object to immigration of city-bred continentals of poor physique and doubtful health, who would at once drift into slums, or of large communities of foreign-born who frankly declare that they do not intend to assimilate with English-speaking conditions. But the gates of Canada should be opened once more not only to the British, French and American immigrant, but also to the Scandinavian and the more desirable type of continental." He pleaded also the cause of the skilled mechanic in addition to that of farm hands and domestics, on the ground that Canadian industry would be handicapped in its progress without them.

He concluded: "Policies which are perfectly appropriate in the case of the United States would not necessarily be applicable to this country. By all means let us exclude the undesirable immigrant, but admit those who in time will contribute to this country's commercial prosperity and economic strength."

I must say, Sir, that in a very large measure I concur in the views which were here expressed by the president of the Canadian Pacific Railway Company. What we need in order to effect a solution of our railway problem and to bring about a development of the country generally is to get immigrants of the right kind, who will stay on the land rather than crowd into the cities. We want as immigrants not those who will increase the city population, but those who, coming from the land, will stay upon the land.

My hon. friend from North Waterloo (Mr. Euler) who spoke immediately preceding me, said that he would not have a tariff which would prejudice the workingmen of his community. I am of his opinion, Sir; I would not have any tariff that would prejudice the workingmen of our population. But I believe that the tariff policy which the Liberal party have propounded in this House is sufficiently wide to afford to the workingmen of this country all the protection that they need. And as to the matter of immigration, I repeat that the crowding of our cities by immigrants would have the effect of taking away from our own workingmen employment of which they are so badly in need, and which at the present time is very scarce. It would help nobody; it would not enrich the country but rather impoverish it. I stand for the protection of the workingman against any such immigration. The only kind of immigration we want at this time, the only kind that will be a source of revenue and of wealth to the country, is that which involves settlement upon the land. The hon. member for North Waterloo made reference to Lord Shaughnessy's plan for dealing with our railway situation. In my opinion, this plan is worthy of consideration. Many people who are authorities on railway matters, great economists and men of sound judgment, are of the opinion that the adoption of the plan suggested by Lord Shaughnessy would be the best for our railways. I do not say that I am in favour of that plan or that I am against it, but I do say that before the House prorogues and members go home for about eight months, in the meantime letting the railways look after themselves and letting the millions of deficits pile up, it is the duty of the Government to adopt some policy that will relieve the taxpayers of Canada of the enormous burden which is bearing upon them through the increasing deficits in connection with the operation of our railways.

There are before the House Estimates which have been passed and there are others which are still awaiting consideration with regard to the militia and the navy. As to the proposed militia expenditures I do not know that I could do any better than emphasize what was said the other day by the hon. member for Quebec South (Mr. Power), that there are actually in this country about 400,000 ex-soldiers who could at a moment's notice be called to the colours if necessary. That being the case there is no present necessity for large military expenditures. As to the navy, Sir, I am afraid that the gift of a few ships from Great Britain, made, no doubt, with the best intention, was one which we should have refused. It is my view that in the future we should curtail as much as possible our expenditures with regard to the navy, because I am convinced that a navy for Canada is at the present time and will for many years to come be quite unnecessary, to say nothing of its

being a heavy burden. The present tonnage of the three largest navies of the world is as follows: Great Britain, 808,200 tons; United States, 467,250; Japan, 319,140. If, therefore, the amount of tonnage represents the strength of a navy, Great Britain's navy is by far the strongest at the present time. Indeed, the navies of Japan and the United States combined have a tonnage a little less than that of the navy of Great Britain. But if the present programmes of these countries are carried out, in 1924 the United States will have a tonnage of 1,117,850, Great Britain 808,200, and Japan, 543,140. Under the circumstances, Sir, having regard to the immense size of these three navies, I cannot help wondering of what use a Canadian navy can be, or of what use the little navy is that we now have, if we have any at all. We cannot suppose for a moment that Canada will ever be at war with England, and, consequently, our navy would be absolutely useless as regards the Mother Country. Is our navy necessary to defend ourselves against Japan? It is not, for at least two reasons. First, the United States, with their navy twice as strong as that of Japan, would never allow the Japanese to land in this country, and second, we have, to protect our shores, the British navy which would never allow the Japanese to attack Canada. Would our navy be of any use against the navy of the United States? This eventuality again has to be set aside because, in the first instance, no one would think for a moment that war would ever be possible between Canada and the United States, and if, through unfortunate circumstances which we cannot foresee, such a war should ever take place, our navy would be so small and powerless as opposed to the American navy that it would be much better for us to have no navy at all than to have the kind of navy which we could not probably have even if we should decide to go to the expenditure of large amounts of money on a Canadian navy. We have had an example of this in the past. Let us recall for a moment the war between the United States and Spain. The Spaniards had a navy at that time; but it was an obsolete one; it was a navy which could not cope, by any means, with that of the United States. As soon as war was declared, the United States sent their navy to battle with the Spanish navy, with the result that the poor Spaniards who were on those obsolete ships, nearly all lost their lives, without being able to do the least damage to the United States navy.

I am very sorry that I have taken up so much of the time of the House, and I wish to be pardoned for so doing; but this is an exceptional occurrence, and I thought I would avail myself of the privilege of making my views known, obviously not on all questions, but on a few of the most important ones that are now before the House.

Parliament, we are told, will soon prorogue. Before it prorogues, if I had any advice to give to the Government, I would ask them to set their house in order, to look more to the business of this country than to any Imperial conference which is to be held in England. According to reports which have been published in the newspapers, the Prime Minister (Mr. Meighen) is scheduled to leave for England on June 7. It is all very well for the Prime Minister of Canada to attend the Imperial Conference, but it is much better for the Canadian Government to look after the business of the Canadian people. At the present time our country is in financial straits. We hear the Minister of Finance (Sir Henry Drayton) telling us that he has a deficit this year of over $100,000,000, when other countries of the world, France, England, the United States, have surpluses. The United States are paying their national debt; England is paying her national debt. I do not know to what extent France is paying her national debt, but I know that she is paying it. France, destroyed as she has been during the war, tried as she has been, at the present time, has come to a point where her exports exceed her imports by hundreds of millions of francs. Canada is in a different position; Canada has still an adverse balance of trade against her; Canada is not going in the right direction; we are becoming each day more rapidly and surely an economic dependency of the United States. Before the Canadian Government think of going into European politics, before the Prime Minister embarks for Europe, if I had a friendly piece of advice to give him, I would tell him first to set in order the business of this country. In order to do so, he should take into account the fact that we cannot continue as we are going on now, piling up deficit upon deficit each year; we cannot let the railway situation look after itself; we cannot be indifferent to a right immigration policy upon which I am founding strong hopes; we cannot be indifferent to all the other problems which confront this country, and before going to England to look after the affairs of the Empire upon the pretence that

Canada is now a nation and that she is admitted into the councils of the Empire, it would be right and proper for the Prime Minister to look after the business of our country. Therefore, I trust the Prime Minister will not look to the necessity of soon proroguing the House in order to allow him to go to England, but that prorogation will not come until the more important business of the country has been looked after, so that the Prime Minister can go, leaving no stone unturned behind him which can accrue to the welfare of Canada.

On motion of Mr. Sutherland the debate was adjourned.

On motion of Hon. Mr. Calder the House adjourned at 11.56 p.m.

Thursday, May 19, 1921.

The House met at Three o'clock.

REPORT

Second report of the Select Standing Committee on Miscellaneous Private Bills —Mr. Steele.

BUSINESS OF THE HOUSE

SUSPENSION OF RULE 103.

Right Hon. Sir GEORGE FOSTER (Minister of Trade and Commerce): moved:

That in view of the late period of the session, Private Bills sent by the Senate to this House for concurrence be read twice on the same day, and that Rule 103 relative to posting of such bills be suspended for the remainder of the session.

He said: This is a motion which has been passed by this House in previous sessions under similar conditions.

Mr. DEPUTY SPEAKER: This is merely a formal motion, but in the absence of notice it cannot be passed without unanimous consent.

Motion agreed to.

PRIVATE BILLS

FIRST AND SECOND READINGS

Bill No. 165 for the relief of Lily Maude McCormack.—Mr. Glass.

Bill No. 166 for the relief of Herbert Henry Brown—Mr. Copp.

PUBLIC ACCOUNTS COMMITTEE

Mr. H. B. MORPHY (North Perth) presented the first report of the Select Standing Committee on Public Accounts, and moved concurrence therein.

Mr. DEPUTY SPEAKER: This motion requires unanimous consent as notice has not been given. Is it the pleasure of the House to adopt the motion?

Mr. MACKENZIE KING: Is it a unanimous report?

Mr. MORPHY: I think so.

Mr. MACKENZIE KING: Carried.

Motion agreed to.

QUESTIONS

(Questions answered orally are indicated by an asterisk).

CANADIAN NATIONAL RAILWAYS—ST. ALEXIS

Mr. MARCIL (Bonaventure):

1. Was any portion of the Station ground at St. Alexis Station, Bonaventure county, leased to O. J. Levesque? If so, for how long and at what price?

2. Has the Management of the Canadian National Railways leased the said ground to one Arsenault, of Blaquiere and Arsenault and to Ludger Gallant? If so, what was the reason of the change and who recommended it?

3. Is the Management of the Canadian National Railways aware that the Station ground at St. Alexis Station is very limited?

4. Have any applications been received for the erection of a platform at that place, for the loading and unloading of freight? If so, why was this not granted?

5. Will the Management inquire as to whether or not the public interest is not being made subservient to that of individuals at this station?

Hon. Mr. REID:

1. No.

2. Yes. Recommendation of general superintendent and superintendent.

3. Station grounds considered large enough to accommodate all requirements at this point.

4. Application received in August, 1919, but work was deferred in that and succeeding years on account of large amount of more important work at other points.

5. Licenses of occupation are dated April 1, 1921, and are at pleasure of minister. They may be cancelled on short notice. It is not considered that they are detrimental to the interest of the public.

HIGHWAYS—HAMILTON-BRANTFORD ETC.

Mr. WILSON (Wentworth):

1. What is the cost of that completed portion of the Hamilton-Brantford highway lying between Paradise Road (the western boundary of the City of Hamilton), and Binkley's Corners (just before the turn in road leading to the Village of Ancaster)?

2. What is the distance contained in that portion of road where the permanent roadway has been laid?

3. What specifications were called for on the Hamilton-Brantford highway?

4. Is it true that portions of this pavement, put down last year by the Warren Paving Co., will have to be relaid this year?

5. What amount of money was paid by the Dominion Government to the Department of Public Works of Ontario for this Hamilton to Brantford highway?

6. What is the estimated cost of the highway between Hamilton and Brantford and what is the distance?

7. Is it proposed to build a subway under the T. H. & B. tracks on this highway, at or near Binkley's Corners, and, if so, what will be the cost of same?

8. What roads in the county of Wentworth have been approved of as highways by the Dominion Government and what roads have been proposed by the Department of Public Works of Ontario?

9. What is the estimated cost of the Hamilton-Brantford highway between the T. H. & B. railway track and the village of Ancaster? What distance is it?

Hon. Mr. REID:

1. $141,253.46.

2. 9,100 feet.

3. Concrete, asphaltic concrete and warrenite bitulithic.

4. No.

5. $5,220.76.

6. $658,907.05—19.18 miles.

7. The Canada Highways Act and regulations do not permit of payment of any portion of the cost of building subways, which in any event, would be a matter for the consideration of the Dominion Railway Board, the province and the municipality. The cost of building a subway under the tracks of the T. H. & B. is not included in the cost of improvement of the Hamilton-Brantford highway.

8. The following roads have been approved of as highways by this department: Hamilton-Queenston highway, Hamilton-Brantford highway, Hamilton-Jarvis highway, Dundas street highway; and the following roads have been proposed by the Department of Public Works of Ontario: Hamilton-Queenston highway, Hamilton-Brantford highway, Hamilton-Jarvis highway, Hamilton-Chatsworth highway, Hamilton-Kitchener highway, Dundas street highway.

9. $121,000.—2 4-5 miles.

WAR INDEMNITY—CANADA'S SHARE

On the Orders of the Day:

Mr. P. F. CASGRAIN (Charlevoix-Montmorency): Mr. Speaker, I see in the Montreal Star of the 18th instant a news item headed:

Canada may get part of German payment.

Ottawa, May 18 (Canadian Press).—A small proportion of the first German payment on reparations may come to Canada. The payment of 150,000,000 gold marks made will, it is stated here, be applied to the cost of the Allied army of occupation.

I should like to know from the Government if there is any truth in this assertion.

Right Hon. Sir GEORGE FOSTER (Minister of Trade and Commerce): The matter has been noticed in the public press, and, in accordance with what has been read by my hon. friend, Canada has her rights in her share of the reparations when paid. Further information cannot be given at the present time.

IMMIGRATION OF MENTAL DEFECTIVES

On the Orders of the Day:

Hon. CHARLES MURPHY (Russell): Mr. Speaker, in a notice published in the Toronto Telegram of May 17 of a convention which is at present in progress in Toronto, described as the National Public Health Convention, there is a report of an address delivered by Dr. J. D. Page, referred to as Chief of the Division of Quarantine, Federal Health Department, Immigration Service, in which he is stated to have said:

That thousands of mentally defective ex-imperial soldiers are coming to this country, their papers being made out to cover "what it is not desired to see." He alleged that their passage is being paid to "this colonial dumping ground" by the British Government, and other agencies, which desire their riddance from Great Britain.

"It is a more important work than fighting the Germans," declared Dr. Page. "These defectives come from all countries, the most friendly of them, and we have had but one interpreter to deal with them. This year we may have four."

I desire to ask the hon. gentleman whose department covers the work referred to in this speech whether he has any knowledge of the state of affairs disclosed by this federal officer, and if so what steps are being taken or will be taken to prevent its continuance.

Hon. J. A. CALDER (Minister of Immigration): In the first place, I would doubt very much whether that statement was made by Dr. Page. In the second place, Dr. Page himself is in charge of this work and if such a condition did exist I would think one of his first duties would be to call immediate attention to it. I can say that he has not done so, and more than that, from inquiries I have made recently with reference to inspection from the

physical as well as from the mental standpoint, I understand that within the last year no such condition has prevailed. I shall, however, take the very earliest opportunity to inquire whether this statement was made by Dr. Page.

PRIVILEGE—MR. LAPOINTE

On the Orders of the Day:

Mr. ERNEST LAPOINTE (Quebec East): Mr. Speaker, in rising to a question of privilege I desire to quote from the report of a meeting held at Marysville, New Brunswick, as published in the Fredericton Gleaner of Saturday, May 14, 1921. At that meeting the Minister of Labour, Senator Robertson, is reported to have used the following words:

> Unfortunately, however, Mr. King would not be able to put his labour views into effect in Canada because 59 out of 72, or a total of 70 per cent of his following in the House of Commons were from Quebec and only a few weeks ago Mr. Ernest Lapointe, member for Quebec East, had definitely put forward the policy of the Quebec Liberals as favourable to the National Catholic Union, which divides labour along sectarian lines, and which was most undesirable as it did not make for national unity.

Mr. Speaker, this statement is wholly untrue and is a wilful misrepresentation of the facts. As to the purpose for which it was made, it is so obvious that I need not qualify it.

Sir GEORGE FOSTER: May I ask my hon. friend if he has any authority for the authenticity of that statement other than the newspaper report?

Mr. LAPOINTE: Except that this report is in the Fredericton Gleaner, which is a good newspaper favourable to the Government in the Maritime Provinces.

Sir GEORGE FOSTER: My hon. friend has no certainty of its authenticity other than that?

Mr. LAPOINTE: Only that this paper reports it.

CANADA TEMPERANCE ACT

On the Orders of the Day:

Mr. P. F. CASGRAIN (Charlevoix-Montmorency): Mr. Speaker, in to-day's Montreal Gazette I see an article headed as follows:

> Asks Suspension of Scott Act. No answer to Quebec's Request has been received from Ottawa.

The article says:

> In the meantime the business of the city is suffering from the prevailing conditions, that could be easily corrected by the Federal Government consenting temporarily to suspend the Canada Temperance Act.

I would like to know what the Government intends to do in regard to this matter.

Hon. C. J. DOHERTY (Minister of Justice): The statement in the newspaper that the condition could easily be remedied by the Dominion Government is inexact. In that particular matter the law does not allow any action by the Governor-in-Council looking to the suspension of the Scott Act on a petition such as has been made unless it be found that the provincial law with regard to liquor is as restrictive as the Scott Act. If there be any difficulty in the way of the suspension it would result from the fact that the present Quebec legislation would be found to be not as restrictive as the Scott Act. The question is receiving careful consideration.

THE BUDGET

DEBATE CONTINUED ON THE ANNUAL STATEMENT PRESENTED BY THE MINISTER OF FINANCE

The House resumed from Wednesday, May 18, the debate on the motion of Hon. Sir Henry Drayton (Minister of Finance), that Mr. Speaker do now leave the Chair for the House to go into Committee of Ways and Means, and the proposed amendment thereto of Hon. W. S. Fielding.

Mr. DONALD SUTHERLAND (South Oxford): Mr. Speaker, the Budget speech of the Minister of Finance is always looked forward to as one of the most important if not the most important feature of a session. This occasion, I feel sure, is no exception to the rule. On the contrary, having regard to the stupendous difficulties with which we are confronted—largely the after-effects of a great and prolonged war which has left its mark on almost every one of the great nations—conditions have been very much disturbed, and we have cause to feel grateful and to congratulate ourselves that the Minister of Finance has been able to present a Budget which shows that there is a substantial balance on the right side of the ledger for the past year.

I shall not attempt to follow the speeches that have been made by those who have immediately preceded me. After a debate as prolonged as this one has been, continuing as it has for nearly two weeks, there must of necessity be a great deal of repetition, and nothing can be gained by going over the ground which has been pretty well covered by previous speakers. I hope, therefore, that those who have immediately

preceded me will not feel that in not paying particular attention to what they have had to say I have overlooked the arguments which they have presented to the House. I understand that the leader of the official Opposition is going to speak this afternoon. I shall, therefore, be as brief as possible in order to give him full opportunity to deal with the questions to which he has undoubtedly given very close attention, more so than would be possible in the case of an ordinary private member.

There is no getting away from the fact that we have tremendous difficulties ahead of us. It is only natural that that should be the case; every country is facing difficulties of a similar nature. Even our great neighbour to the south of us is apparently suffering in that respect to a much greater degree than we are, and we, in turn, are very much affected as a result of conditions prevailing in that country. The Government of that country have very recently passed and are about to put into effect tariff legislation which is bound to affect us very seriously. We should, insofar as is possible, be guided by the experience through which other nations and peoples have passed, and also by the experience which we have had ourselves. There are in this chamber hon. members who can recall the time when we had a very satisfactory commercial treaty arrangement with our neighbours to the south, but that treaty was terminated by them after having been in effect for some ten or twelve years. We had developed between the two countries channels of trade that were suddenly severed; we were thrown upon our own resources at that time and we had to go out and open new channels of trade. A somewhat similar condition of affairs confronts us at the present time, and we have also to face the fact that the deflation in the value of the dollar has seriously affected us in our dealings with them.

The condition of our domestic affairs at present is such that we see the folly of the course pursued by this country for many years past in regard to railway construction. I am not going to attach all the blame to any particular party; but it is quite apparent to everyone that the very unsatisfactory condition of our transportation facilities to-day is largely attributable to the desire of the Liberal party to obtain a prestige which good business methods would not justify, and the inevitable result has come about. We have in this country transcontinental railways which the Government have been compelled to take over and to operate. Very recently, and at the same time there has gone into effect a very substantial increase in the freight and passenger rates on the railways of this country. To my mind, no one thing has had such a tendency to cause the present feeling of lack of confidence and inability to do business as the increase in railway rates in Canada, and the Government should take immediate steps to see that a reduction in that respect is brought about. I am satisfied, from close observation, that the increase has not resulted in any gain to the railway corporations of this country. On the contrary, tariff has fallen off to such a degree that unless something is done quickly, we shall be in a very difficult position before the next winter comes upon us, and it is hard to foresee what may be the result. I merely refer to this matter at this time, as I believe that it is the one outstanding question above all others that ought to be attended to immediately as it directly affects the people of this country at present as nothing else does.

I am referring particularly to those who engaged in what is known as industrial enterprise and in agricultural pursuits. Under the present condition of affairs, practically all the profits, if there were any some time ago, are now turned over to the railways, and the result of this is that there is a tendency to slacken up and not to do anything but wait for some change to take place. It is necessary that the people of Canada should obtain a confidence that they have not to-day. It is necessary and essential that we should take stock of ourselves and of our resources, in order to meet the difficulties with which we are confronted at the present time. Even more important than that is the fact that we should face our difficulties as a united people with a determination to overcome them and to see that they are overcome quickly. If we do not do so, you may rest assured that our difficulties will be prolonged, and that the prosperity which the resources of this country justly warrant us in believing will be ours in the future will be considerably delayed.

There is before the House an amendment moved by the hon. member who represents the constituency of Shelburne and Queen's (Mr. Fielding), who was for many years Minister of Finance under the Government of Sir Wilfrid Laurier. It is not necessary for me to refer to the amendment moved by the hon. member further than to state that he has been in the habit,

for several years past, of moving amendments along similar lines. I would imagine that an hon. member, with the experience he has had, would endeavour to place before the House something that would be of a constructive nature and that would be helpful in suggesting methods of overcoming our difficulties. When you read the amendment moved by the hon. member, you can come to no other conclusion than that he was anxious to divide the House on a question that would not commit the party, with which he is now affiliated, to any particular policy. The same thing happened a year ago and also two years ago. A year ago an hon. member now sitting opposite, the hon. member for Red Deer (Mr. Clark), stated that he would have been much better pleased with the amendment which had been moved by the hon. member for Shelburne and Queen's, if it had contained a little more milk and a little less water, and had not been such an apparent attempt to divide the House on a question which meant nothing.

I stated a few moments ago that it was necessary that we should take stock of ourselves and of our resources. Under our system of government, a system that has been worked out and evolved through centuries by the genius of the best minds of the people of the British Empire, a system known as the party system of government, we are supposed to have a keen and alert Opposition who are carefully watching the Administration to see that nothing is done that will be to the disadvantage of the country, and to ensure that the Government will be careful and guarded in everything which they do. I believe that system has been adopted by practically every progressive country in the world. It is not something new, but it is something that has been evolved through the experience of centuries, and that has stood the test of time. Very recently we find that there is a tendency on the part of some people to discard the old system, to throw it into the discard and to evolve something new that will be much superior to it. They say: We will divide the people of this country into classes; we will do away with the old party system, and we will have a group system of government. This, Mr. Speaker, is advocated by quite a number of people, and I think it is well for us to consider what motive they have in their minds when they advocate such a policy. It has been advocated here in this House, and in several of the provinces; I believe that it developed out of conditions which prevail owing to the affect of the war. It is undoubtedly true that during the war a propaganda was carried on throughout the world that has had a tremendous effect on the minds of the people of all countries, and if I were asked to place my finger on what I consider to be the greatest handicap under which we are now labouring, and the one thing above all others to which many of our difficulties are due, I would say that it was organization; I believe that organization is the greatest curse that we have to-day—that is, the organization of people into sections and into bodies with a view to promoting their own selfish interests regardless of the effect such action may have on the great mass of the people who are not so organized. The result of this organization is that the unorganized people are almost forced to follow the same course in self-defense. As a result of these organizations, the Government is handicapped and the people are divided. Under the old system that has been in vogue in the British Empire for centuries men who were elected to represent the people in Parliament felt that they represented not only the people of the constituency which returned them to Parliament, but the people of the whole country. Is that the condition to-day? Is that the condition that would prevail under this new system of class consciousness that is being advocated and developed?

A few days ago the Prime Minister (Mr. Meighen) delivered an address in this House, and with his keen analytical mind he endeavoured to place clearly before the House and the country some of the things that are in evidence at the present time. I was somewhat surprised to hear the leader of the group which terms itself the National Progressive party refer to that speech of the Prime Minister as a "cheap political vaudeville" effort; I think those were the words he used. Now when the leader of a group in this House makes a statement of that kind with regard to the Prime Minister of this country, I think he can take no exception if we ask ourselves what a vaudeville exhibition means? My idea was that it was a variety entertainment. The leader of the Progressive party, who so characterized the Prime Minister's speech, was returned as a member of this Government. At the last general election, he was taken into the Government, and then went to the constituency of Marquette and was returned as a supporter

of and a member of the present Government. To-day he is in opposition to the Government and is taking a stand by which he hopes to secure a following in the country and to discredit the Government of which he was formerly a member. Now my idea of the constitutional practice in the past was that when a minister, or a member of Parliament, differed with the Government of which he was a member, and which he had been elected to support, he went back to the people who had elected him, explained his position, and handed in his resignation to the people from whom he had received a mandate to represent them in Parliament and support the Government. Did the leader of the National Progressive party do that? Is this another new trail he is attempting to blaze in defiance of past precedents? He is going to create precedents, and apparently this is one of them—that the people of the constituency of Marquette do not count when he wishes to follow his own sweet will.

I do not like to question the motives of any man, but when an hon. member sitting in opposition to the Government of which I am a supporter makes such a statement as was made by the leader of the Progressive party, I feel I am justified in referring to the movements of that hon. member since he has been a member of Parliament. I shall not go back further than a month beyond that time. Let us see what has been the record of the hon. member who charges the leader of the Government with putting on "cheap political vaudeville" in this House.

He has for a number of years past been the president of a corporation in Western Canada, known as the Grain Growers' Grain Company. On September 1, 1917, the Grain Growers' Company amalgamated with the Alberta Elevator Company and formed the present United Grain Growers, Limited. On October 12, following the president of the amalgamated company, Mr. Crerar, was sworn in as a member of the Government. One month after the amalgamation of these two big corporations took place he took his seat as a member of the Government in this House, at the same time retaining his position as president of the United Grain Growers, Limited. He professes to see in existence in this country conditions of government which very seriously affect the farmers of this Dominion and he considers himself a Moses who has been called to deliver the farmers of this conutry from the oppression under which they have been labouring in the past. That is his stock-in-trade argument in the most of the speeches he has made in by-elections in which he has taken part.

Let us follow the hon. gentleman's career while he was a member of the Government for about one and a half years. Let us review a few of the important matters that became legislation on his recommendation as Minister of Agriculture, and which very seriously affected those engaged in agriculture in Canada. On October 12, he became a member of the Government, and about two weeks afterwards, on October 25, after he had become accustomed to the official harness, he had developed to such an extent that he felt he would be able to do something for the poor down-trodden farmer, and as a result of the sleepless nights which he had devoted to agricultural interests, he evolved a policy of granting a license to certain people. They would have to come to the hon. member for Marquette (Mr. Crerar), president of the United Grain Growers, Ltd., and Minister of Agriculture for Canada, in order to get the license to do business. He granted a license to two of the large packing companies of this country. You have heard a great deal about the exorbitant profits made by the packing houses of Canada, but what do you suppose this license permitted them to do? It permitted them, notwithstanding the fact that for years past, in fact, so long as anyone here can remember, the product covered by the license had been surrounded with municipal, provincial, and federal regulations to ensure its purity and to establish a standard which commanded attention throughout the world—it permitted them, I say, to adulterate that product. By reason of the act for which he was responsible, as a result of the recommendation which he placed before the Government, and which became law, with his approval, there was granted to the packing companies of the country the right, through this license, to adulterate butter and place it on the markets of the country, this right being denied to the manufacturers of butter. This was done, and still continues to be done as a result of the efforts of the hon. member who leads the National Progressive party to-day.

The hon. member developed rapidly, and his next move was made in November, 1917, the following month. He devised another brand-new scheme, something that had never been done before. As Minister of Agriculture he entered into a contract with the terminal elevator companies for

the purchase of all recleaned screenings at $35 per ton, a price they had never before enjoyed, and one that was very satisfactory to them. According to the Auditor General's Report, for 1920, there has been paid out, in connection with this transaction during the two years for which he had contracted, the sum of $436,846.77, and from the sale of this commodity that he had purchased, there was received $288,165.63. I understand that the matter is not yet closed and that it is impossible to know, at the present time, what the condition of affairs is and the deficit may exceed the amount indicated. There is, however, one thing which is quite apparent to the farmers of the country, and that is that he was instrumental in having disposed of to them and placed on their farms, as a result of extensive advertising, noxious weeds to an extent they had never dreamed they were purchasing. Carloads of this stuff were returned to the Department of Agriculture because of the weed contents, and they absolutely refused to accept it, and as a result there is a deficit in the department to-day of $148,681.14, according to the Auditor General. And the matter is not yet cleared up. Yes, Sir, he makes a great ado in his election campaigns, as he did in the constituency of East Elgin a short time ago, about no one being able to connect him with the sale of those screenings, though he cannot deny that they were sold by his company to the parties from whom the Government bought them while he was minister. I happened to go into the constituency of East Elgin, which immediately adjoins my own. I arrived there on the very day when the hon. member for Marquette arrived. He was met at the station as I got off the train. Evidently he did not see me. He was taken to Port Burwell, where he delivered an address; and one of the first things he referred to, according to the press reports of his speech, was the criticism to which he was being subjected by myself in that campaign. He said that members of Parliament were as thick in the constituency as Jew peddlers. I met two other members of the House from a nearby constituency when I was there, and I can assure you there was no lack of outside support for the candidate whom the hon. gentleman was assisting. He referred to what I was stating in this campaign, and the criticisms I was making with regard to his policy before I even spoke in the constituency. Now, Sir, I criticised his policy and his administration in this House at the last session, and while the hon. member does not deny my statements in the House, he goes out up and down the back concessions and the small places, where he thinks he will be able to get away with it, and contradicts what I stated in the House. The hon. member for East Elgin (Mr. McDermand), knows full well that one of the most effective arguments which were made use of by his supporters in that campaign was this very matter to which I am referring. One of the dealers in mill feeds in the town of Aylmer canvassed the constituency and this was his whole argument why they should vote against the Government, and the thing they pointed to more than all others is the adulteration of mill feeds that had taken place and for which the Government was responsible yet did not intimate that the hon. member for Marquette was responsible. I say that the hon. member for Marquette, the president of the Grain Growers' Grain Company, Limited, was the man above all others who is responsible for this, because it was on his recommendation that this thing went into effect.

Mr. REID (Mackenzie): Hear, hear; it was very successful.

Mr. SUTHERLAND: Yes, it was very successful, according to the hon. member for Mackenzie (Mr. Reid) who is also a director of the United Grain Growers' Company. They were very successful, he says. Let me tell the hon. gentleman that his general manager, Mr. Rice-Jones, before a committee of this House, declared, as the leader of the Progressive party afterwards declared in Elgin, that you could not connect his company with the sale of screenings to the Government.

Mr. REID (Mackenzie): Hear, hear.

Mr. SUTHERLAND: Yes, "hear, hear." But what did the general manager state further? He said he thought they had sold screenings to the Grand Trunk Pacific Elevator Company, and agreed to furnish the committee with the names of the purchasers of their screenings, but did not do so. Well, let us see what the Grand Trunk Pacific Elevator Company got out of the transaction. They sold 2,514 tons, 570 pounds, for which they received the sum of $87,990. There were other companies from whom the hon. member from Marquette purchased, but this was the largest transaction; there was more purchased from this company than from any other. I notice that there was another company, the Saskatchewan Co-operative Elevator

Company, who made the next largest sale of 1,616 tons, 1,280 pounds, for which they received $56,000. With this company, I understand the hon. member for Maple Creek (Mr. Maharg) is closely connected. These are a few of the items which go to make up the deficit in connection with this matter, these two companies receiving $144,550 of the amount.

There are a number of other matters by means of which the hon. member is supposed to have "assisted" the farmers of this country. On December 3—the following month—he fathered another measure, the result of which has been the pollution of the mill feeds of the country, to say nothing of its distribution of noxious weed seeds to a greater extent than any other Minister of Agriculture has been responsible for during his term of office. In 1911, it was not permitted to have vital, noxious weeds in mill feeds. This was brought about by the enactment by Order in Council of what is known as section 17 of the Grain Standards regulations. The effect of this enabled the millers of the country—and they were here yesterday before the Agricultural Committee—to adulterate mill feeds to an extent that the live stock industries of Canada have suffered a blow such as they never experienced from any other source. This was the result of legislation passed on the recommendation of the president of the United Grain Growers, Limited, who at the time was also Minister of Agriculture, and also a member of this Government and in the pay of both. And this is the Moses who was going to lead the farmers of Canada into the promised land! A little later, September 30, 1918, it became necessary to secure butter for our soldiers serving at the front, and how was it done? The butter that was being manufactured by the dairymen of Canada was commandeered by the Government on the recommendation of the hon. member who now poses as the leader of the farmers of Canada. Somewhat similar action was taken by the Government of the United States, but what did they do? They commandeered the butter which was being held in cold storage. This Government reversed that procedure, and commandeered at a low price the butter that was being manufactured, while at the same time there was in Canadian cold storage warehouses 27,091,254 pounds; and these people, the packing companies, who had been licensed by him to adulterate butter had 3,622,800 pounds in cold storage—butter which my hon. friend had given them permission to adulterate with baser materials to be placed on the markets of this country. This is another of the great and wonderful achievements of the hon. gentleman while he was a member of the Government. The result of these proceedings was that our butter and cheese began to go across the line where the price was much higher than it was in this country. A stop had to be put to that, and accordingly an embargo was imposed on the exportation of dairy products from Canada on my hon. friend's recommendation. Now, let us see what he had to say about the adulteration of butter when the Oleomargarine Bill came before the House in 1918, when a motion was moved to give it the six months' hoist. He said:

> The hon. gentleman who has moved the amendment, which, if passed, will destroy the Bill before the House, and those who support him, have at least the merit of consistency in the position they are taking. I have gathered from the remarks of the hon. gentleman in this Chamber and elsewhere that he believes in the principle of protection; that he believes in imposing customs tariffs on the implements and equipment that farmers, and particularly the dairy farmers, require in their industry. Consequently, in taking the position that the dairy farmer should be protected in the sale of his butter, my hon. friend is consistent. For the same reason I am consistent in opposing the resolution that my hon. friend has moved.

That was the attitude of the hon. member for Marquette during the time he was a member of the Government.

Now one proposal in the policy of the party which the hon. gentleman is leading to-day is that all foodstuffs should be placed on the free list. What happened during the month of March last? There was imported into this country from the United States dairy products to the amount of 1,207,741 pounds, of which 752,726 pounds were butter and 324,672 pounds oleomargarine. At that very time an effort was being made to export the dairy products of Canada, and to find markets for them, in about twenty different foreign countries. Yet the hon. member takes the ground; I am going to permit these foreign products to come in absolutely free of duty. We have a small protective duty on butter of 4 cents a pound. And it must be remembered that this is entirely different from an ad valorem duty such as is imposed on most other articles of commerce. When the price of butter was 33⅓ cents a pound, that duty meant a protection of about 12 per cent, but when the price was 66⅔ cents it dropped to 6 per cent. What was the result of the heavy importations from the United States during March. That

butter declined in price during one week to the extent of 25 cents per pound, and the market has become absolutely demoralized. The price of cheese has also fallen in proportion, and to-day the outlook for the dairy products of Canada is as dark and unsatisfactory as we have had to face for many years.

The hon. member for Marquette saw fit to leave the Government shortly after he had succeeded in placing on the statute books of this country some of the "progressive" legislation to which I have just alluded. In September, 1918, he had been doing so well that the United Grain Growers' Limited, the company of which he was president, decided to increase his salary from $10,000 to $15,000 a year, as a mark of their appreciation of the valuable services which he had been rendering. On June 6, 1919, the hon. member decided to resign his seat in the Government, and I am going to read the reason he advanced for taking that course. On June 4, 1919, he sent a letter to his leader—the man who had been labouring hard during all the years of the war and who had eventually succeeded in forming a Union Government representing all the political parties in this country—which reads as follows:

4 p.m.

My dear Sir Robert,

The Government, in its consideration of the Budget to be placed before Parliament to-morrow, has reached, I take it, definite and final conclusions as to the form it will take. As you are aware, I am not in accord with it and therefore cannot support it, either in the House or in the country. Having reached this decision, there is only one course for me to follow, and I therefore tender you herewith my resignation as a member of the Government. The reason for my decision shall be given more fully when the subject is under discussion in the House.

In view of the fact that the military business of the war, through demobilization, is not yet completed, permit me to say that only strong conviction upon this issue, reached after earnest consideration impels me to take this course.

I cannot refrain from expressing my appreciation of the heavy worries and responsibilities you have so courageously faced during the war, and particularly in the last year—worries and responsibilities which I venture to say the people of Canada do not yet fully understand; and also the fine manner in which you have represented Canada overseas in the delicate and difficult negotiations preliminary to the signing of Peace.

Let me also thank you very sincerely indeed for the many courtesies and kindnesses you have shown during the past eighteen months, to one quite inexperienced in parliamentary work and in the very intricate and difficult problems of government in this country.

I am, yours truly,

T. A. CRERAR.

[Mr. Sutherland.]

Mr. CLARK (Red Deer): He writes a very nice letter.

Mr. SUTHERLAND: Yes, "a very nice letter", I hear my hon. friend say. He (Mr. Crerar) differs with his party and he resigns, mark you, the very day before the Budget was brought down—keep that fresh in your minds—and he states that he will give a fuller explanation when the matter comes up in the House, which he did later on when he stated on June 11:

I felt there was only one course for me to follow when I found myself at issue with my colleagues, and that was to tender my resignation to the Prime Minister, which I did.

And he added:

In my opinion the present Budget is a protectionist Budget. I think there is no disguising that fact.

That was the statement of the hon. member a few days after the Budget was brought down. Well, what did the Budget contain? Remember he had no mandate from his constitutents to demand any tariff concessions when he was elected to this House. But in deference to the requests that had been made by people from Western Canada a reduction of about 12½ per cent was made in the tariff on most of the articles which he contends should be placed on the free list. He said:

This is a protectionist Budget.

That being so he could not approve of it, and consequently felt that it was necessary for him to resign his seat in the Government.

If there were any members of that Government, Mr. Speaker, who would have been justified in sending in their resignations that time they were those who advocated a protectionist policy for this country, because it had been departed from in that regard to a greater degree than had been the case since the National Policy was adopted in 1878. The hon. member was reproved by the hon. member for Durham (Mr. Rowell), who was then a member of the Government, and who pointed out that these concessions had been granted in deference to the desire of some hon. members from Western Canada. Even then there were differences of opinion among some of his (Mr. Crerar's) supporters, particularly his chief lieutenant (Mr. Clark, Red Deer) who is not at present in the chamber. The hon member for Red Deer on June 12, the day following, states:

I cannot quite agree with my hon. friend from Marquette—and this is the only disagreement I shall have with him—in describing the

Budget as a protectionist Budget. I think a fairer thing would be to define it—and I think history will so define it,—as a Budget tending towards free trade.

It was the opinion of the hon. member for Red Deer, that it was "a Budget tending towards free trade." But the president of the United Grain Growers' Company, Limited, says that it is a protectionist Budget, and consequently he cannot stay in the Government any longer.

Well, Sir, I am unable to understand what actuated the hon. member, but on June 5, when the Budget was brought down, the general manager of the company of which the hon. member was president, was subpœnaed to testify before a committee of this House, and on June 27, in evidence under oath he made the statement, in answer to a question put to him by a member of the committee as to whether his company, which had been buying large quantities of agricultural implements, would not stand to lose very heavily by virtue of having those implements in their warehouses when this very substantial reduction of 12½ per cent took place:

Why, no. We were living in hopes of a reduction of the tariff, and we had a lot of it in bond, so we escaped the duty.

The president of the company, in the pay of the company, was a member of the Government with a full knowledge of what the Budget contained, and it is somewhat significant that his company should purchase largely and hold in bond a lot of agricultural implements, anticipating a reduction of the tariff.

Mr. CRERAR: Mr. Speaker, may I ask the hon. member a question?

Mr. SUTHERLAND: Assuredly.

Mr. CRERAR: Do I understand my hon. friend to state that the company with which I was connected profited from my knowledge of what the Budget contained? If that is his statement, then I wish to give it an unequivocal denial, and to state that my hon. friend is making an assertion which is absolutely contrary to fact.

Mr. SUTHERLAND: Well, Mr. Speaker, I am not the authority for the statement which I have made. I gave the authority for it, the general manager of the company of which my hon. friend was president.

Mr. CRERAR: May I ask my hon. friend another question?

Mr. SUTHERLAND: Most assuredly.

Mr. CRERAR: Does he find in the evidence of Mr. Rice-Jones before the Cost of Living Commission anything anywhere to the effect that I used the information I had of the Budget to the benefit of the company with which I was connected?

Mr. SUTHERLAND: I pointed out that the Budget was brought down on the 5th day of June 1919, and that the hon. member saw fit to send in his resignation to the Prime Minister on the 4th of June, the day immediately preceding, and that his claim was that he could not remain in the Government on account of the difference he had with his colleagues with regard to the tariff, which he asserted was protectionist. The hon. member who sits on his left (Mr. Clark, Red Deer) differed with him and claimed that it was a tariff which tended towards free trade.

Mr. CRERAR: That is not the point.

Mr. SUTHERLAND: Well, Sir, I have pointed out that the general manager of the company, of which the hon. member was president at the time and in the pay of, claimed that they did not suffer the loss which was pointed out they would likely suffer, by reason of the fact that they anticipated the reduction in the tariff and had this machinery purchased and in bond waiting for that reduction to go into effect.

The hon. member became quite gay the other day in speaking on this debate with reference to the Prime Minister, whom he endeavoured to answer, and he said:

Were those who sit as he says, angularly opposite, "servile tools and minions" in 1917, when at their country's call, be their judgment right or wrong, they assisted my right hon. friend and his Government when it was on the brink of ruin and in despair?

In ruin and in despair! A Government which had carried on for upwards of three years during the most difficult period in the history of this country that any Government had ever had to face. The danger at the front became even greater as the years went on, and it was necessary for us to bend all our energies to the task which lay before us. The Prime Minister of Canada, regardless of the political effect, regardless of the effect upon the party which he had led for many years and which had acquitted itself so admirably during the war, virtually scrapped that party and formed a union of both political parties to carry on. The hon. member says, what about 1917? Where were we then? Let me point out that when efforts to form a Union Government was

first undertaken, several trips were made to Ottawa by gentlemen from Western Canada. It was only after it became certain that a further extension of the life of Parliament would not be granted and that the country, notwithstanding the peril with which it was confronted, was to be plunged into a general election—it was then and then only that the War-time Elections Act was passed. That Act disfranchised thousands of alien enemy birth and extraction and gave the franchise to the men who were fighting our battles for us at the front; and it provided that the 50,000 men who had given their lives for us and for our country should in some measure be represented through the granting of the franchise to women who were the wives, mothers and sisters of soldiers at the front. It was only after that Act was put through that the hon. member for Marquette joined the Government, and we have evidence that even while he was a member of the Government he was not true to the Government.

Mr. CRERAR: Mr. Speaker, I do not wish to remain in my seat under the imputation that my hon. friend is throwing across the floor. I think he should either retract his statement or go further and produce evidence in support of it.

Mr. SUTHERLAND: Oh, I will go far enough to suit my hon. friend; he need not be alarmed about that. My authority is that of a prominent member of what is now the United Farmers of Ontario. Mr. Good, in an article which he published in the Canadian Countryman under date of December 17, 1919, pointed out the difficulties which that organization had to contend with, and pointed out also in another article that the movement had its origin through the efforts of the Provincial Government of Sir William Hearst to organize farmers' clubs with a view to co-operating to further their own interests, and that had it not been for the assistance they had received from the grain growers of the West and the frequent visits they had had from the hon. member for Marquette, they would not have been able to pull through. That is a very serious statement indeed; it has already been placed on Hansard during the session of 1920, and the hon. gentleman has taken no exception to it. Mr. Morrison, the secretary of the United Farmers of Ontario, claims that the movement in Ontario had its inception in a deputation which came to Ottawa and asked that farmers' sons should be exempt from military service. I quote from the Canadian Annual Review with reference to this delegation:

[Mr. Sutherland.]

> The Government received on May 3rd a delegation of farmers protesting against the abolition of the practical exemption of farmers' sons from conscription. On May 14th a great delegation of 5,000 farmers swept down upon the Capital and used every political and personal effort to compel a change of Government policy; They even asked and were refused permission to wait in a body upon Parliament; they came, in the main, from Ontario and Quebec—the Globe estimate being 3,000 from the former and 2,000 from the later province, with a few representatives of the Maritime Provinces and the West; they were led by the Hon. J. E. Caron, Minister of Agriculture in Quebec, L. T. Pacaud, M.P., and 14 members of the Quebec Legislature, together with Manning W. Doherty, W. A. Ames, and other leaders of the United Farmers of Ontario.

And what did Hon. Manning Doherty have to say when he was here? Referring to the promises which had been made by the Government, he said:

> We took these promises seriously. We do not believe there is sufficient justification for breaking this pledge.

And what was happening at the front at that time? Over a thousand British soldiers were being killed every day and about five thousand were being wounded and becoming casualties. It may be that Mr. Doherty was honest in his convictions at that time, but when Mr. J. J. Morrison, secretary of the United Farmers of Ontario, makes the statement quite recently, that that organization had its inception at that time, he is evidently proud of the fact. Well, if you look over the reports of some of the commanders of the military forces of the British Empire, made about that time, you will find that one great commander in the East, General Allenby, had been carrying on a successful campaign in Egypt and Palestine. He had captured the seaports, forged ahead and captured the Holy City; his troops had crossed the Jordan, reached Elsalt, and were about to form a junction with the troops of the king of the Hedjaz, and advance on to Damascus. But, what actually happened? According to General Allenby's report to the War Office dated September 18, 1918, the first week in April, the 52nd Division was withdrawn. The second week in April the 74th Division was withdrawn and hurried to the Western front, followed by 9 yeomanry regiments, 5½ siege batteries, and, later, by 10 British battalions and 5 machine-gun companies. In May, fourteen battalions of British infantry had to be withdrawn from Allenby's command and hurried to the Western front. Hon. gentlemen opposite evidently take pride in the fact that they were opposed

to sending men to assist our armies on the front at that time—a time when the Commander-in-Chief of the Canadian forces sent that memorable message to Canada; "From the agony of the battlefields the prayer goes forth that the Homeland will not desert us in our hour of need and of our approaching triumph."

This was the message that was given to the people of Canada shortly before this movement had its inception, and to-day we find that this movement is linked up with the official Opposition in this House, an Opposition led by the hon. member (Mr. Mackenzie King) who will immediately follow me. I have a very vivid recollection of something that happened back in 1911. In that year the hon. member who now leads the official Opposition was a candidate in North Waterloo, and at that time during the campaign, he made a statement which did not apparently do him very much good in the election. It was a statement, however, which not many would like to have credited to them under similar circumstances. It will be recalled that, shortly before that election, the leader of the Opposition of that day (Sir Robert Borden) who afterwards became Prime Minister, was anxious that we should do something to strengthen and make more effective the navy of the British Empire. I am quoting from a Globe report of a speech delivered by the hon. member who leads the official Opposition:

> The Hon. Mr. King read extracts from Hon. Mr. Borden's speeches in the House of Commons in which the Conservative leader referred to the danger of war with Germany and urged the Government to go to Britain's aid with a dreadnought or a cash contribution.
>
> "Are the people of this country going to place at the head of affairs a man who will be precipitated into such a position as this, who will take from the treasury of this country and who would have taken enough money to build two dreadnoughts and send that money to England so that they could spend it as they pleased? And against what country? He was ready to spend money to build warships to fight Germany."

This is the official report of a newspaper which was representing the hon. member in his candidature in that election. A little later on he was a candidate in the general election of 1917 in a historic Liberal constituency, and he was turned down with a larger majority against him than had ever been given in favour of any Liberal in that constituency.

Mr. GORDON: They bought him out.

Mr. SUTHERLAND: I hear a voice saying: "They bought him out." At any rate they did not buy him out in Peterborough where he was appealing to the people along different lines. My reason for referring to this just now is that the hon. gentleman who has just interrupted me has evidently a very excellent opinion of his ability to win elections. I have here from the Peterborough Examiner of February 5, 1921, some of his advertising during his campaign. He says:

> You know my record for the last fifteen years, and my policy has been Peterborough first. I will continue this policy in spite of the unfair and tricky tactics of political adventurers.

Mr. GORDON: Your friends.

Mr. SUTHERLAND: I thought he referred to his friends opposite. Any one reading his statement would take it for granted that he was referring to the hon. member for Marquette (Mr. Crerar) and the leader of the Opposition (Mr. Mackenzie King).

Mr. GORDON: The voters of Peterborough did not do so.

Mr. SUTHERLAND: The hon. member (Mr. Mackenzie King) states very loudly that this Government are usurpers, that they are usurping the office that he should have.

Some hon. MEMBERS:: Hear, hear.

Mr. SUTHERLAND: Yes—that we are "usurpers" and consequently we should stand aside and give the hon. member an opportunity to form a government! What did one of his colleagues in this House have to say in regard to that in a letter that he wrote to a party in Peterborough? The following extract is from a letter received from a prominent Liberal member of Parliament, a member of the present House of Commons. I see him in the House at present, and if this is not correct, I hope he will deny it:

> I see by the press you have an election on in Peterborough—some noise, too. Five candidates in sight and one or two more coming. Too bad! The Liberals and Farmers should be ashamed of themselves. Our mutual friend Burnham is fighting the fight that they have been howling for for months, and why aren't they consistent? My idea was that Burnham and Meighen should have been allowed to settle this point as to whether the Government should bring on a general election now.

Mr. LALOR: Who said that?

Mr. SUTHERLAND: This is a letter written by a Liberal member of Parliament to Mr. W. H. Croft and by him communicated to the press. The hon. member was afraid that there would be a test as

regards his claim that the Government were usurpers. I see another advertisement in the same issue of the Peterborough Examiner:

> Vote for Gordon and protect the man who believes in the protection of labour as well as industry.

This is all in the advertising of that campaign. On the night of the election, although my hon. friend (Mr. Gordon) polled about one-third of the votes, I read this despatch:

> Hon. W. L. Mackenzie King, leader of the Liberal Party, to-night despatched the following telegram of congratulation to G. N. Gordon, the successful Liberal candidate:
> "The Liberal party joins me in heartiest congratulations to yourself and the Liberals of Peterborough on your splendid victory. No political contest in years has been of like significance. We may now look forward with confidence to the triumph of Liberal principles throughout the Dominion."

It did not matter although they did differ during the campaign. But there is another election in the province of Quebec, and I am going to refer to that very briefly, for two reasons. One is to show the policy that is in effect, the efforts that are being made and the object they have in view. In September, 1919, there was an election in the constituency of Hull across the river from Ottawa, and one of the members in this House is credited with having made a statement, part of which I will give. It is contained in the Ottawa Evening Journal of September 20, 1919:

> Deafening applause greeted Mr. Lucien Cannon when he went to the platform to speak. Like the other speakers, Mr. Cannon practically confined his remarks to praises of Dr. J. E. Fontaine and strong condemnation of the present Government.

A little further on I read this:

> "I have gone into the House to vindicate the rights of the French-Canadians," stated Mr. Cannon. "I do not regret in anyway the battles that I have fought and I consider that they are an incentive to greater efforts. I am not here to preach revolution, but I do say that we, having come here first, are the masters in this country. We have the right to vindicate the rights our forefathers won."

And a little further on:

> He spoke at great length of the manner in which Hon. W. L. Mackenzie King had supported Sir Wilfrid Laurier during the dark times—

Some hon. MEMBERS: Hear, hear.

Mr. SUTHERLAND: Why do you not join up with your friends?

Mr. MICHAEL CLARK (Red Deer): The Prime Minister says that we have done so.

[Mr. Sutherland.]

Mr. SUTHERLAND (Reading):

> He spoke at great length of the manner in which Hon. W. L. Mackenzie King had supported Sir Wilfrid Laurier during the dark times, and he was sure that all French Canadians would give the new Liberal Chieftain the support they tendered to Laurier.

Mr. ARCHAMBAULT: They will, too.

Mr. SUTHERLAND: I notice in the Ottawa Citizen a report of another by-election campaign that is now being carried on in the constituency of Yamaska. It says:

> Mr. Boucher said—

Some hon. MEMBERS: Oh, oh.

Mr. DEPUTY SPEAKER: Order, I must ask hon. gentlemen to maintain the dignity and decorum of Parliament.

Mr. SUTHERLAND: The report says:

> Mr. Boucher said that there had been Liberal traitors who had left Laurier, such, for instance, as Hon. W. S. Fielding, and like L. J. Gauthier, recently.

Hon. gentlemen opposite are so kindly disposed towards each other that you may rest assured that if they were called upon to form a Government, the hon. member for Shelburne and Queen's (Mr. Fielding) would not likely be included in it.

Mr. ARCHAMBAULT: Will my hon. friend tell the House what Mr. Mondou said about the Prime Minister of this country?

Mr. SUTHERLAND: My hon. friend or his colleagues will have their opportunity later on. Now I want to refer to the policy that has been advocated both by the official Opposition and the opposition led by the hon. member for Marquette. Both advocate the removal of the tariff on articles of food. Both advocate that the British preference be increased to 50 per cent of the general tariff. The Farmers' party also advocate complete free trade between Canada and Great Britain within five years. Both advocate proportional representation. One of them advocates the adoption of an eight-hour day, and the other a direct tax on unimproved land values. I am not going to comment on those because I wish to say a word or two with reference to a matter on which a good deal of emphasis has been placed. I find that in the Liberal platform adopted in 1919 reference is made as follows to ocean traffic facilities:

> Adequate facilities and tonnage for ocean traffic are a vital concern to the commerce of Canada and the utter lack of foresight on the part of the Government in neglecting to see that such facilities and tonnage were provided

for the immediate after-the-war period is not only humiliating to the Canadian people, but is materially impairing our export trade.

Further on I find this:

We are confronted with the lamentable situation that no adequate provision has been made for the transportation of the products of the farm, the factory and the forest to the markets of the world.

Yet hon. gentlemen opposite are loudly condemning the Minister of Marine and Fisheries and the Government because ships have been built in this country. These same gentlemen in 1919 were condemning the Government for not doing what they now condemn them for doing. Is not that a consistent attitude to adopt?

I want to point out one of the things that has been accomplished by the Government's policy of building ships, and that is that we have to-day ocean rates such as we have not had for many, many years. The products of this country can be landed to-day in the markets of the world at a reasonable rate, which is something I do not remember having been the case at any time in the past.

Take, for instance, the matter that has been referred to by the Millers' Association of this country—the discrimination in the rates on flour and wheat. That discrimination was so great that it was practically impossible for the millers to ship their flour. That is now a thing of the past. Though some of our ships may be idle to-day, I contend that they have rendered a valuable and splendid service to this country in obtaining better ocean rates; we may look forward with confidence to the future if we can only get our railway transportation facilities down to a proper basis. Even if we have to tie up some of our roads in order to bring about lower railway rates, we shall have accomplished much if we succeed in reducing them.

I have spoken longer than I had intended, but I was anxious to show the motives that are in the minds of some hon. gentlemen who are so loud in their criticisms of the Prime Minister and his Government. They say: We must have the farmers represented in this House; we must have labour represented in this House. Let me point out to hon. members—and I know whereof I speak—that the Prime Minister of this country was born and grew to manhood on a farm near a small town in the county adjoining the one in which I live. In his early years he attended the school in the nearby town until he could receive no further education there, and then he went to the university. He graduated from a humble farm home in the county of Perth, and like thousands of others from Ontario he went to Western Canada. He was not long in that country before his sterling worth was recognized by the people amongst whom he had located, and soon he was elected as their representative in this House. He has been in the House now for quite a number of years. He entered Parliament as a very young man, and from the day he came here down to the present time he has been noted as one of the hardest-working members in the House. It is acknowledged by every one that he has not been called to the Premiership through pull or influence of any kind; it was through sheer outstanding ability. He is a self-made man. By burning freely of the midnight oil he had qualified himself to enter into competition, as it were, with the best intellects of this country. He outstripped them all and became Prime Minister of this country at an age younger than that of any other man that ever reached that high position. When hon. gentlemen opposite say that the farmers and labour must have representation in this House, I say to them that the farmers of this country have in the right hon. the Prime Minister the finest example of the product of a farm home that we have ever seen in this country. I say further, that labour has in the right hon. the Prime Minister one of the finest specimens of the product of hard and diligent labour that this country has ever witnessed. I say that the right hon. the Prime Minister supported the ex-Prime Minister during the years of the war and rendered him valiant service; he never deserted him. He stood by him and they carried on government, just as the right hon. the Prime Minister is endeavouring to carry on government to-day. When we find that there is an effort being made to link up all the discordant elements in this country, under the leadership of the allied Opposition, with a view to defeating the Government, I say that it is time for plain speaking in this House, and that is the reason why I am speaking as I am to-day. I am sorry that I have found it necessary to speak as long as I have done. But I do wish to emphasize again the fact that one of the leaders of the allied Opposition was a member of this Government. It is quite evident, from articles which have been published, that he intrigued with

other elements that were endeavouring to establish a party in this country in opposition to the Government, and the hon. leader of the official Opposition (Mr. Mackenzie King), who was absent from this country during the early years of the war, hurried back to Canada when the election of 1917 was on. He entered the contest in opposition to the policy of the Government, in opposition to the cry for help that had been sent across the seas by Sir Arthur Currie from the agony of the battlefields: "We beseech you to support us." Although he opposed the offer of such help, he was chosen leader of the official Opposition, over and in place of men who had been in this House for many years, and who had not been repeatedly turned down by their electors. The hon. member (Mr. McKenzie) who sits almost immediately to his right was a leader in the House, but he was not acceptable to those who were selecting a leader at the time the hon. gentleman who now heads the official Opposition was chosen. I repeat, Mr. Speaker, that we have to-day in this country, supporting this Government, very many of the best and sanest representatives of the Liberal party, men who have the best interests of the country at heart; and for that reason I say—

Some hon. MEMBERS: Oh, oh.

Mr. SUTHERLAND: Yes, I know that some hon. members will take issue on that statement, but I declare it to be true, nevertheless. Now, we have in Canada a country that is but slightly developed, and if we are going to divide ourselves into independent sections, groups and communities, we shall not get very far. Nor shall we make that progress which we should and reach that stage of development of which this great country is capable through proper co-operation, if the great province of Quebec, with all its resources, is going to refuse to join the other provinces in the government of the country. But, however, this may be, of this be assured, that you will receive fair and decent treatment from the other provinces; and I think it is unfortunate and deeply to be regretted, after the work that was accomplished by many of Canada's great statesmen from that great province in the years gone by, that we should have a condition such as now exists in this Dominion.

Hon. W. L. MACKENZIE KING (leader of the Opposition): When Parliament assembled some three months ago, meagre as was the programme of legislation outlined, hon. members were given to understand that at least one subject of first importance would command their attention during the present session. That subject was a revision of the customs tariff. The announcement of the Government's intention with respect to this revision was no mere afterthought on the part of the ministry. It was made with all the formality and solemnity that attaches to a declaration of matured policy, conveyed to the country through the medium of the speech from the Throne by which His Excellency opens the proceedings of Parliament.

I shall not speak of the many public professions which preceded this formal announcement. They are well known to the House and to the country. One or two among the number may, however, be mentioned.

There was the declaration of Sir Thomas White, the former Minister of Finance, in his Budget speech of June 5, 1919, to the effect that a general revision of the tariff was "long over due," but, owing to the war, unavoidably overdue. It was urged that, because of the unsettled condition of international trade, still hampered by war restrictions and prohibitions and by exchange conditions, it would not be practicable to make a sound general revision of the tariff at that time. The hope, however, was expressed that within a year conditions would have become so stabilized as to permit of a general revision of the tariff. The Finance Minister urged that, preceding the revision, a thorough inquiry should be conducted by the Minister of Finance and two or more of his colleagues, and gave it as his view that this inquiry might well be commenced about the autumn of that year. It was stated that the result of such an inquiry should be "a body of information which would enable the Government to effect a general revision of the tariff fair to all parts of the community and effectually promoting the national welfare of Canada." This pronouncement served the purpose of the avoidance of any tariff revision during the session of 1919.

The autumn of 1919 came and went, but the inquiry foreshadowed for the fall of 1919 was not proceeded with. This occasioned a second official declaration. It was made, not by Sir Thomas White, but by his successor in office, my honourable friend the present Minister of Finance (Sir Henry Drayton). It took the form of a statement issued to the public on December 15 of that

year. That statement was intended to prepare the public mind for a further postponement of the day of tariff revision preliminary to the session of 1920. In that remarkable utterance, not only the time of general revision, but the time also of the inquiry which was to precede it, was further postponed. It was urged that international and economic conditions were in many respects worse than they were six months previous, or at any time during the war. Whilst this might serve as an excuse, if not as a reason, for delaying the general revision, it was evidently recognized that it would not serve with like effectiveness as a reason for abandoning the promised general inquiry which was to precede it. Accordingly the Government hit upon the rather unprecedented device of reversing the order of procedure with respect to inquiry, and instead of having the ministers confer with consumers and producers in a series of public hearings throughout the Dominion, announced its intention of having interested parties present their views and opinions in the form of written statements, which could be "systematically analyzed and classified for the purpose of making them a basis of general public inquiry to be held throughout the country."

The written statements were made to do duty for the session of 1920. Parliament was informed by my hon. friend, in his Budget speech of May 18 of that year, that though unfortunately trade and economic conditions were yet unstable, the tariff investigation had commenced, and public sittings would be held throughout Canada after prorogation. My hon. friend went further than promising the prosecution of the inquiry; he told the House that to make the inquiry thorough the Department of Finance would have the assistance of expert and other advisers, and he went on to say, "I am further of the opinion that not only should the investigation proceed, but that information should now be given of the principles and policies of the Government in the light of which effect will be given in the tariff revision to follow to the evidence and facts developed in the inquiry."

Then followed a somewhat pretentious and high-sounding enumeration of principles and policies, preceded by the declaration, "Our policy calls for a thorough revision of the tariff," and concluding with a reiteration of the affirmation that "a general revision of the Canadian tariff based upon the foregoing considerations was due." This statement of the hon. the Minister of Finance was limited only by the condition that the revision should not be undertaken "until a thorough inquiry is made to ascertain the essential facts upon which tariff provisions must necessarily be based."

That brought us to the end of the session of 1920. I shall omit for the moment reference to the somewhat remarkable, if not momentous, happening which occurred when the session ended, the disappearance in name, of the old Unionist party, and its disguised continuance under the all-embracing designation of the National Liberal and Conservative party. All I shall mention is that, as respects the tariff, the platform of the party as approved on July 1, 1920, called for a thorough revision.

Before the summer of 1920 was over, my hon. friend and certain of his colleagues, together with their experts and other advisers, entered upon the public sittings of the investigation, which was announced as having commenced when the statements of consumers and producers were called for. Across this continent, from ocean to ocean, at most of the important centres throughout the Dominion, and at great expense to the country, the Committee of the Cabinet conducted its hearings. Nothing was omitted in the way of press propaganda to have it appear that the committee was doing a great public work, and incidentally that protection was the one thing which everybody wanted. When the public hearings were over, the country was given to understand that the delay in the summoning of Parliament was due to the time required by the committee to get its information in shape for the tariff revision which was to be the main feature of the present session. Finally, on February 14, Parliament reassembled, and with the opening of Parliament came the pronouncement, in the speech from the Throne, respecting tariff revision.

I invite the attention of hon. members to the wording of the paragraph in the speech from the Throne referring to the promised tariff revision, and in particular with respect to the need for such revision.

"My advisers," says His Excellency, "are convinced of the necessity for revision of the customs tariff." There is no uncertainty there. "Conviction" and "necessity" are strong words, and both find a place in this terse and emphatic sentence. His Excellency continues: "In order to secure the most complete information, a committee has conducted an extensive and thorough inquiry." Here again are clear and emphatic words. Not only has the inquiry been con-

ducted, but the inquiry has been extensive and thorough. The pronouncement continues: "The hearings necessary for this purpose have now been completed, and the conclusions founded thereon will be submitted to you in due course." It is unnecessary to quote further. No declaration could be clearer. It only remained for the Budget to be brought down for the House to enter upon the important work of this session.

5 p.m.

I need not remind hon. members how week after week I inquired of the Government when we might expect the Budget, nor need I remind the House of the questions asked the ministry with respect to rumours that the promised revision might not be forthcoming, and of the Government's repeated denials of all such. Patiently we waited for pronouncements of the Finance Minister, allowance being made from every quarter for the protracted delays because of the supposed magnitude of his task. What, then, was our surprise and the surprise of the country when on Monday the 9th instant, my hon. friend, in presenting his Budget to the House instead of submitting the conclusions founded upon the hearings of the committee of investigation, and outlining the measure of revision of the customs tariff promised by His Excelency in the speech from the Throne, calmly informed the House that it was "not proposed to put into effect now a general revision of the tariff schedules."

I shall not delay the House by repeating the platitudes with which my hon. friend sought to conceal this complete change of front and humiliating retreat on the part of the ministry. There was nothing in anything he said which might not be said at any time, which, in fact, has not been said over and over again with respect to every contemplated revision of the tariff. It is true that my hon. friend made allusion to some emergency legislation being enacted in the United States, and which may or may not become permanent; but since when have hon. gentlemen opposite come to believe and to affirm that Canada cannot revise her tariff independently altogether of what the United States does or proposes to do? What was the whole burden of their professed objection to the reciprocity agreement? It was that it rendered Canadian tariff conditions dependent on those of the United States. The representation was not true, but it gave expression to a point of view which is the only right and proper one, namely, that every country must regulate its own tariff in accordance with its own needs, and should be free to do so wholly irrespective of the action of any other country.

Let me point out that the fact that the Government of the United States was likely to revise its tariff, and that in a manner possibly prejudicial to Canadian trade, was well known to the Government long before the assembling of Parliament. The attitude of the Republican party towards the tariff was well known, and, as the House will recall, the return of the Republican party was assured on November 2 last. That the Government not only knew, but sought to have the Canadian public believe, that the return of the Republican party to power would mean additional barriers to trade between the two countries, is apparent from publications for which hon. gentlemen opposite are themselves directly responsible.

I hold in my hand a pamphlet published by the National Liberal and Conservative Party Publicity Bureau, entitled "What the Return of the Republican Party to Power in the United States means to Canada." It bears on the title page the following quotation from the Toronto Globe of November 3, 1920: "Canadians may be prepared for an additional barrier to trade between the countries." That pamphlet was issued during the by-election campaign in East Elgin held in November of last year, and its whole purport is to arouse the electorate to the certainty of a raising of the American tariff wall in virtue of the return of the Republican party to power. The first paragraph of the pamphlet reads as follows:

> Canadians generally, and the electors of East Elgin in particular, * * * would do well to give the most serious consideration to the result of the election in the United States on November 2nd as it affects Canada, because there is no doubt that the return of the Republican Party to power will have the most important bearing on our future trading relations with the United States.

That was in November. Subsequent events only served to confirm the predictions made.

The American Republican party was in power when the advisers of the Crown made their promise of a revision. The Fordney Bill, which subsequently became the Young Bill, was introduced in the House of Representatives early in December of 1920. It was February 14, 1921, that our Parliament reassembled, and that the speech from the Throne declared the

conviction of His Excellency's advisers of the necessity for the revision of our customs tariff. If uncertainty as to American tariff legislation is a reason for delay in our much needed tariff revision it was as much a reason in the month of February as in this month of May.

As late as April 20, in answer to a question from the hon. member for Jacques Cartier, as to whether it was an accepted fact that there was not to be a general revision of the tariff, the Prime Minister replied in the negative.

In his remarks on the Budget, the Minister of Trade and Commerce led the House to believe that one of the reasons there had been no general revision of the tariff was the unfavourable state of the exchange with the United States. "The exchange situation", he said, "grows worse every day—and upon the exchange conditions, much depends in the fixation of your tariff." Now what are the facts? As between February 14, when the speech from the Throne promised revision, and May 9, when the Budget was brought down, the only change was favourable to Canada. On February 14, the rate of exchange between Canada and the United States was 14 per cent, and the value of the Canadian dollar in New York 86 cents; on May 9 exchange was at 10¼, and the value of the Canadian dollar therefore 89.75 cents.

Under these circumstances, it is useless for the Government to seek to have the country believe that it was influenced in its decision to withhold the tariff revision at the present session because of any actual or proposed action on the part of the United States. There were other and more subtle influences at work. That they can be shown to be more sinister influences as well is, I fear, unfortunately only too true.

But one of the alternatives is possible; either the Government, despite all its professions, has never had any real intention of revising the tariff; or, having such an intention, it has been frustrated in the carrying out of its intention the moment advance had been made to the point where definite action became necessary. It matters little which of these alternatives we take: the one really significant fact is apparent, the Government is not a free agent, in the matter of either intention or action. Its members in truth do not constitute the real Government of Canada to-day. In word and act, it is but the visible expression of influences and forces which dictate the policies, aye and in large measure are controlling the destinies of Canada to-day—forces and influences which constitute the real though the invisible government of this Dominion.

Were I to adopt the language of the right hon. the Prime Minister, and apply to him and his associates the terms which in his gratuitous and vituperative manner he has applied to a highly responsible and representative group of honourable members of this House, I would speak of him and his colleagues as "the servile tools and minions" of these sinister influences and forces. Let me remind my right hon. friend that people who live in glass houses should not throw stones, and that there is a passage of Scripture which says, "Judge not, that ye be not judged, for with what judgment ye judge, ye shall be judged, and with what measure ye mete, it shall be measured to you again."

To say that the changes being made in the American tariff are responsible for the abortive professions, the frustrated intention of the Government, is to assume an unlimited degree of gullibility on the part of the Canadian people. The failure of the Government, at this time of high living-costs, and much needed increase of production, to give any relief from burdensome taxation to either consumers or producers, is not due to any circumstances so much a matter of chance as the present emergency legislation of the United States; it is due to a deliberate and determined effort to thwart trade and to restrict competition in every direction, with the Mother Country and our sister dominions even more than with the United States, in order that a few wealthy men and their immediate friends and associates may reap still larger fortunes through obtaining, not a much-needed home market, as they would have us believe, but a monopoly of the Canadian market, in addition to markets abroad secured for them through Government action in a variety of directions and at enormous expense to the taxpayers of this country. Let me proceed to make good the truth of this assertion.

I have referred to the need for a thorough revision of the tariff as set forth in the Budget speech of my hon. friend the present Minister of Finance in May of last year, and to the demand for such a revision as set forth in the platform of the National Liberal and Conservative party as framed some six weeks later. I wish now to draw the attention of the House to a comparison of the two statements pertaining to this

so-called thorough revision. The comparison lets in a flood of light; it reveals the whole situation. It is not often that a political party discloses in a manner so apparent, and shall I not add, so abhorrent, the sinister influences that frustrate its good intentions and bind and shackle its freedom of action.

In referring to the Budget speech of my hon. friend, I made mention of the pretentious and high-sounding principles and policies in the light of which it professed effect would be given, in the tariff revision, to the evidence and facts developed in the inquiry which he and his colleagues and experts and other advisers were to conduct. Those principles and policies were of course fresh in the minds of the hon. gentlemen opposite, and were before them in printed form in the pages of Hansard when, at the end of the session on the 1st of July, they met in secret conclave to disown the name of the party to which they belonged, to rechristen it as the National Liberal and Conservative party, and to draft the platform of policies and principles on which they were thereafter to stand.

That the principles and policies outlined by the Minister of Finance in his Budget speech were actually before hon. gentlemen opposite at the time of the drafting of their political platform is wholly apparent from a reading of the two pronouncements. With a single remarkable exception, to which in a moment I shall refer, the one follows the other almost literatim et verbatim. Each has its six main assertions of policy and principle, under the letters a, b, c, d, e, f; and each has the development in extenso of each of its several assertions. To all intents and purposes, with the exception mentioned, both pronouncements are the same throughout.

My hon. friend in delivering himself on the Budget had evidently two objectives in mind. He was seeking a means of avoiding any immediate revision of the tariff; and he was trying out on interested parties and the public in advance the tariff plank of the political platform which he and his friends had in mind for the secret conclave to be held at the close of the session.

Now here, Mr. Speaker, is the astounding disclosure which a comparison of these two apparently identical pronouncements reveals. To appearance, they are identical; in reality there is from the one an omission of a statement of policy and principle contained in the other, which omission is damaging, shall I not say "damning", in the extreme.

I have already alluded to the statement of guiding principles and policies being set forth in the case of each in the six main assertions which appear in the case of both, under the letters a, b, c, d, e, and f. Let me repeat, they are, with one exception, practically identical in virtually every particular. Let me read the two statements to the House.

Here is the statement of principles and policies as given by my honourable friend to the House in his Budget speech on May 18, 1920:

> Our policy calls for a thorough revision of the tariff with a view to the adoption of such reasonable measures as are necessary—(a) to assist in providing adequate revenues, (b) to stabilize legitimate industries and to encourage the establishment of new industries essential to the proper economic development of the nation—to the end that a proper and ever-increasing field of useful and remunerative employment be available for the nation's workers, (c) to develop to the fullest extent our natural resources, (d) to specially promote and increase trade with the Mother Country, the sister dominions and colonies and Crown dependencies, (e) to prevent the abuse of the tariff for the exploitation of the consumer, and, (f) to safeguard the interests of the Canadian people in the existing world struggle for commercial and industrial supremacy.

Observe, Mr. Speaker, that there are the six assertions of policy and principles, a, b, c, d, e, and f.

Now let us look at the statement of tariff policy as set forth in the official platform of the National Liberal and Conservative party. The language is the same. Observe, too, that it has its six assertions: a, b, c, d, e, and f.

> A thorough revision of the tariff with a view to the adoption of such reasonable measures as are necessary—(a) to assist in providing adequate revenues, (b) to stabilize legitimate industries, (c) to encourage the establishment of new industries essential to the economic development of the nation, (d) to develop to the fullest extent our natural resources, (e) to prevent the abuse of the tariff for the exploitation of the consumer, and (f) to safeguard the interests of the Canadian people in the existing world struggle for commercial and industrial supremacy.

Do you observe any difference, Mr. Speaker? To all appearances they are the same; they begin and end the same.

(a) in the case of each is "to assist in providing adequate revenues."

(f) in the case of each is, "to safeguard the interests of the Canadian people in the existing world struggle for commercial and industrial supremacy."

(e) in the case of each is the same; it is "to prevent the abuse of the tariff for the exploitation of the consumer."

(b) in the case of each begins "to stabilize legitimate industries;" but here a slight change occurs: (b) in the case of the speech of my hon. friend continues: "and to encourage the establishment of new industries essential to the proper economic development of the nation." In the case of the political platform of the National Liberal and Conservative party, this part of (b) is made a separate proposition; it is not set forth as a part of (b), but appears as (c). Why is that? It is because, between the time of the speech of my hon. friend on May 18 and the holding of the secret conclave on July 1, it had been found necessary, at the instance of the influences which control the Government, to drop something from the pronouncement of my hon. friend and, if possible, to conceal the omission.

Well, let us see what policy or principle it was that it was found necessary to drop when the party platform was framed. It was not the next proposition (c) to develop to the fullest extent our natural resources; that has become (d) in the party platform. That, Mr. Speaker, completes the slate so far as the statement of policies and principles in the party platform is concerned; a, b, c, d, e and f are now complete. The division of (b) in my hon. friend's speech into (b) and (c) of the party platform, and the placing of (e) of my hon. friend's speech under (d) in the party platform, made possible the squeezing out altogether from the platform of the party of (d) as given to this House and to the country in the Budget speech of my hon. friend.

Well, Mr. Speaker, what is (d)? What is the policy of the Government as set forth in the Budget speech of the Minister of Finance in May, 1920, which it was found necessary to delete from the platform of the party as framed some six weeks later? If it has passed unobserved, the House and the country will be astounded, I think, when I read it. Here it is, Mr. Speaker:

> To specially promote and increase trade with the Mother Country, the sister dominions and colonies and crown dependencies.

Let me read that again, and read it along with the context:

> Our policy calls for a thorough revision of the tariff with a view to the adoption of such reasonable measures—

Mark the words, Mr. Speaker, "reasonable measures":

> —as are necessary to specially promote and increase trade with the mother country, the sister dominions and colonies and crown dependencies.

Would you have believed it, Mr. Speaker—these words stricken out? And that by the hon. gentlemen who call themselves Empire-builders, that by the party that claims to have arrogated to its ranks all the patriots; that parades and boasts of its loyalty; that talks of a community of interest, of keeping the Empire united, of the family of nations comprising the British Commonwealth? And as if this were not enough—oh, unkindest cut of all—to choose for the occasion of thus stabbing at the heart our inter-Imperial trade, July 1, the birthday of our Dominion, the anniversary of the day on which the Mother Country gave us our status as a self-governing Dominion, the beginning of our nationhood within the British Empire—was there ever like ingratitude or baser treachery?

Why has this policy, this policy of promoting and increasing trade with the Mother Country, the sister Dominions and colonies, been erased and effaced from the platform of hon. gentlemen opposite? It is surely not because of the sacrifices of life and wealth shared in common in the Great War; it is surely not from motives of loyalty or affection towards the Mother Country; it cannot be from a desire to unite, to bind and to consolidate the different parts of the British Empire; nor is it from any concern for the great body of consumers in our own country. The Prime Minister has given us the answer. He knows. He ought to know. It is due to the dictation of the few wealthy men whose powerful interests are alone responsible for his being where he is to-day, the interests that demand what he calls "protection," that are not satisfied with the adoption of such reasonable measures of tariff revision as are necessary "to assist in providing adequate revenue," "to stabilize legitimate industries," "to encourage the establishment of new industries," "to develop the natural resources," "to prevent the exploitation of the consumer," and "to safeguard the interests of the Canadian people in the existing world struggle for commercial and industrial supremacy," but who, for their own selfish ends and personal aggrandisement, wish to control and monopolize the trade of this Dominion and are prepared, in that endeavour, to sacrifice every obligation of honour, of loyalty, and of human need.

In the light of this disclosure, what becomes of the hypocritical pretension that

emergency changes in the United States tariff are responsible for the absence of any tariff revision in accordance with the professed intentions of hon. gentlemen opposite?

Hon. members will do well to reflect upon the significance of this episode. It gives the key to all the rest. It explains the usurpation and maintenance of power by the right hon. the Prime Minister, against all constitutional right and the will of the electorate of this country. It explains the somewhat frantic and certainly undignified appeals made by my right hon. friend whenever he enters upon his advocacy of protection. It should let the country understand why we on this side of the House, however different the shades of opinion or however wide the divergences of view that may exist between us, are at all events one in our inability, to use the words of the amendment which is before the House, to concur in the declarations by the Government that the tariff should be based on the principle of protection. They talk of protection; it is not protection they want, but monopoly.

Mr. Speaker, is more needed to explain the sinister forces and influences that are dictating the policies, and for the time being controlling the destinies, of this Dominion? I have referred to their combined power as constituting the real, albeit an invisible, government, compared with which the Government we see personified in hon. gentlemen opposite is but as form and shadow. Perhaps the time would be well spent if we paused for a moment to look a little more penetratingly behind the shadow, and discern what we can of the reality. A moment's reflection will enable us to see how this organized power came into being, and how menacing its existence is to the social and industrial well-being of our country.

I need not remind the House that for four years the energies of this country, the energies of its Government, of its industries, as well as of its people, were strained to the one herculean task, the winning of the war. It was inevitable that during that period there should be the closest kind of association between certain of the financial, manufacturing, transportation, and distributing interests, and between these several interests and the Government and its members. That association between the more active and prominent members of both groups was uninterrupted, and indeed necessarily intimate, over the greater part of the entire period. They were linked the one to the other by the most powerful of bonds. There was the bond of disinterested public service at the moment of the greatest crisis in the world's affairs, and there was the bond, wholly different in character it is true, but to some individuals even more powerful, of personal and private self-interest at a moment of opportunity such as has presented itself but once in the history of this world.

During those four years, a sum amounting to something like two billions of dollars was loaned by the country to the Government, and under Government direction was disbursed among these financial, manufacturing, transportation, and distributing interests. The Government was permitted a free hand; in the loans thus subscribed, the sacrifices present or future were never questioned; in the spending of these vast sums little or no check was exercised by Parliament; Orders-in-Council, at the caprice of the ministry were permitted to replace legislative enactments of both Houses of Parliament. It was an era of unparalleled opportunity both for the exercise of autocratic power and for the bestowal of favours. Strange indeed it would be had not the closest kind of relationship been formed between the controlling factors on both sides. That they were so formed, every Canadian citizen is well aware.

With the termination of the war and the demobilization of the military forces, this era of unlimited expenditures and unparalleled contracting came to an end. Not, however, the association between the financial, manufacturing, transportation, and distributing interests, among themselves, or with the Government. In considerable measure, it is true the compelling force of the bonds which had united these interests with the Government were lessened. Hon. members of the Government who read their obligation to the country in terms of disinterested public service, recalling the pledges on which the Government was returned to power, one by one retired from the ministry. Others of their colleagues, for reasons best known to themselves, continued in office. Similarly, it is to be presumed, among the financial, manufacturing, transportation, and distributing interests, were numbers of influential and prominent men who were quick to sever the intimacy of the relations formed with members of the Government during the period of stress and strain, and to give their thought to their particular business interests regardless altogether of Government favours or action.

Unfortunately for our Dominion, all the men of great wealth and power have not been of this class. The same self-interest which caused members of the Government to cling to office despite honourable obligation and constitutional right, has operated in like manner to cause certain members of the financial, manufacturing, transportation, and distributing interests to continue to look to Government for special favours and special privilege, and in return to support the administration by direct methods as well as indirect in its retention of power against the will of the people as a whole. Thus we have come to have in Canada, on the one hand, a Prime Minister and a ministry to whom usurpation of office and the exercise of autocratic methods in Government belong as a sort of natural right, and, on the other, a small circle, a sort of little oligarchy of interwoven financial, manufacturing, transportation and distributing interests, prepared, in return for a continuation of favour and special privilege, to use their wealth and influence to keep the Administration in power, and thereby constituting in a very true sense the real though invisible Government of this country.

We have, in other words, political power united with plutocracy in a bond of self-interest, the former the visible symbol of authority, the latter the governing and directing force in the State. We have a Government democratic in form, but autocratic in behaviour, and back of that Government, and vastly superior to it in many respects, we have the privileged coterie of wealthy and influential men, connected with certain of the financial, manufacturing, transportation, and distributing interests mentioned, who are not satisfied with sharing in the control of industry and the State, but wish to dominate both. They are for the time being able to exercise this domination at their own free will, for the Administration owes its existence to their dictation and its continuance in office to the powerful influence which in a multitude of directions they are able to exert. There is the real situation with which this country is faced at the present time. That is the danger to Canada at the moment, not that her Government is a Government carried on in the interest of the people as a whole, but rather that we have on the one side the selfish groups united together working for their joint ambitions, and, on the other, the great body of the people left to look after themselves.

This is the explanation, first of the Government's change in policy and principle respecting the promotion and increase of trade with the Mother Country and the sister Dominions in the period intervening between the Budget speech of the Minister of Finance and the secret conclave of July 1 of last year. It was part of the price paid by the Administration to these representatives of special privilege for a continuance of their support. It was not limited competition they were after; it was a monopoly of Canadian markets. Secondly, this is the explanation of the failure of the Government to revise the tariff at the present session. It was not fear of the consequences of American emergency legislation—that really was a ground for action—it was the maintenance by the favoured few of their privileged position as it has come to be in consequence of the war and conditions as they have grown out of the war. Thirdly, this is the explanation of the declaration made by the Prime Minister in the course of his lengthy speech on Friday last:

> "This Government stands for the tariff that is in existence to-day, and in any adjustment that will be made we will admit the principle of protection and we will apply it. . ."

Some hon. MEMBERS: Hear, hear.

Mr. MACKENZIE KING: Hon. gentlemen opposite say: Hear, hear. But protection for whom? Protection for these favoured interests, not for the great masses of the people. The invisible government has decreed that thus he must stand, and so the day of tariff revision in the interests of either producers or consumers is indefinitely postponed.

I shall not ask hon. members to accept my analysis of the situation as a last word. Did time permit, I might cite an abundance of evidence as proof of its accuracy. Fortunately we have the evidence of one who has been on the inside, one of the Government's own supporters who was permitted a peep behind the scene, in a position of exceptional opportunity, who was appointed to office by the Government itself, and who has given to the public a description of what he has seen, in the form of an official document, a State paper, may I not term it.

It was thought that a life position and a good salary would be enough for Mr. James Murdock, when he was appointed a member of the Board of Commerce, and that he might be expected to lend himself to the Government's game of pretending to be solicitous of the well-being of consumers

and the public interest though all the while screening and protecting from public disclosure and public censure the few wealthy men whose business interests through close association, have become intimately interwoven and whose combined strength constitutes the power behind the throne, applying the simile for the moment to the present Administration. Fortunately, Mr. Murdock was not of the spineless and time-serving character it was hoped he would prove to be.

Having accepted nomination as a member of the board, he came at once into a specially favoured position. Indeed, strategically, he was in the best of positions; he was where he could view, on the one side, the organization of the specially favoured interests I have been describing, and, on the other, the relation thereto of hon. gentlemen opposite. Both situations he had described with perfect clearness; they are depicted in the official communication sent the Prime Minister in June of last year, and which the Government has had before it ever since. Here is the situation as respects the favoured interests.

Referring to the preliminary investigations of the Board of Commerce, and the necessity for some governmental machinery to protect the consumers and producers of the country against the kind of protection my right hon. friend has been advocating, Mr. Murdock says:

(a) Business men living together under the protection of the tariff have got to know each other so well that price-fixing agreements and arrangements are the rule, rather than the exception. The board has already on file evidence in some scores of cases of such agreements. Not all of these are reasonable or proper. It should not be left to the unfettered will of the businesses interested to fix prices on necessaries of life. . .

(b) Combines which have fastened themselves on the production and distribution of certain essential articles of food, such as canned fruits have introduced systems of merchandising which are injurious to trade and the consumer, and prevent fair competition. . . .

(c) The board has discovered that unfair and excessive profits are being taken by certain textile manufacturers, cement companies, and other large concerns. It is in the public interest that these investigations thus begun be not stopped at this point. . .

(d) There is reason to believe that sugar is not the only commodity in which speculation to the detriment of the public has taken place. . .

(e) Without a Board of Commerce the public has no organization to watch and protect its interests, while on the other side there is the most complete organization and cross-organization: Manufacturers' associations, retail associations, packers' associations and hundreds of other associations. The public, unorganized as the sands by the sea, requires a protector against the super-organization of modern business."

[Mr. Mackenzie King.]

Now, Mr. Speaker, Mr. Murdock speaks of the need of protection, but it is not the protection of the members of the associations he has described, but the protection of the great body of consumers that are like the sands of the seashore, without any protection whatever against what he terms the super-organization of modern business. It is the few wealthy men responsible for this super-organization of modern business depicted by Mr. Murdock who constitute the ring that controls the Government of Canada to-day, that shackles its freedom of action, and compels the Government on pain of extinction to do its bidding. It is the favoured position of these privileged few that the Government is striving in all its measures to advance and to protect.

Let us see how, in this particular, the situation appeared from the vantage ground accorded Mr. Murdock while a member of the Board of Control. Here is what he has to say of the Government's attitude as he came to know it—and let the House remember that this was a statement issued to the Prime Minister of this country by Mr. Murdock, while Mr. Murdock was still a member of the board:

I am convinced—

1. That the majority of the Cabinet of which you are the honored leader are not, and have never been, in sympathy with the provisions and intent of the Board of Commerce Act and of the Combines and Fair Prices Act.

2. That your advisers only recommended to Parliament the passage of those Acts as the result of temporary alarm incident to the Winnipeg strike and other strenuous demonstrations when the people demanded some means of controlling profiteers.

3. That as soon as the Board of Commerce Act and the Combines and Fair Prices Act were made law by the Parliament of Canada, honourable gentlemen prominent in the councils of Canada and members of your Cabinet at once began to undertake to minimize, to as great an extent as possible, what they believed to be the unnecessary and unfair provisions of these two Acts when applied to the businesses of those for whom those honourable gentlemen no doubt had first regard.

4. That the chairman appointed by your Government to the Board of Commerce was regarded by certain interests as being safe and sane in conserving to Canadian manufacturers and other large financial and business interests the generally unrestricted leeway heretofore enjoyed by such interests in the taking of profits, determined alone by the so-called market price and governed by supply and demand. . . .

Then, with special reference to the chairman, in paragraph 10:

10. That during the entire term of service in which he and I were together connected with the board . . . . nothing was done which could in any way affect the business and financial interests, which, in his judgment,

should be protected from encroachments upon or interference by the Board of Commerce of Canada.

11. That the general viewpoints and desires of the former chairman were well known by various honourable members connected with your Cabinet, and especially by the Hon. Mr. Calder.

12. That many of the honourable gentlemen composing your Cabient saw in the former chairman's resignation an opportunity almost beyond their expectations to minimize the activities of the Board of Commerce, and to prepare for its demise and that several of them repeatedly undertook to thwart the board's desired activities by quiet and hidden restrictive opposition since that time.

. . . . . .

14. That on January 28, 1920, when this board issued a declaration challenging the right of the Cabinet to interfere on behalf of the textile manufacturers in the Canadian Manufacturers' Association (they having made representations to the Government that it would cost $1,500,000 to prepare the data asked for by a questionnaire of this board, and that it would take weeks to so prepare) certain of your honourable colleagues were prepared to concede the claim made by the textile manufacturers and relieve them from the necessity of complying with the board's requests for information, and that only the public challenge to your Cabinet placed in the newspapers by the Board of Commerce prevented the textile firms from being relieved of the requests for data made by this board.

15. That later records show that the textile manufacturers had ample reason to struggle desperately to prevent the true facts from being known to the board and that if this board could have secured the assistance desired, a statement of the facts and figures disclosed, followed by an order as the results of the analysis of the statements of affairs sent to this board, would have startled and incensed the Canadian public beyond anything that has developed in recent months.

Finally, as indicating beyond shadow of doubt his view of the Government's relationship to the super-organization of business interests he has described, Mr. Murdock concludes:

In connection with your suggestion that I continue as a commissioner of the Board of Commerce until the decision of the Privy Council, I feel that the people need, and are entitled to, some results now. The light should be let in. I believe your Cabinet will devise some means to prevent the Board of Commerce from functioning, even should the Privy Council give a favorable decision. My conscience will not permit me to become a high-salaried time-server.

Could anything be clearer, Mr. Speaker? There are the specially favoured duly protected interests on the one side; the Government, their protecting and willing servants, on the other; and the whole a matter of public disclosure and now of public knowledge.

Let me say, so that my words will not be capable of misconstruction, that in making these references to certain financial, manufacturing, distributing and other business interests I am making no attack on big business as such, I am making no attack on wealth as such, I am making no attack whatever on vast organization as such, for in these days of competition between industry and industry, between locality and locality, between nation and nation, between continent and continent, large organization is absolutely necessary, and vast accumulations of wealth in particular industries are absolutely necessary if the country is to hold its own in competition. So I am making no charge against the organization of business as it is carried on to-day, nor against the men to whom this country is, indeed, vastly indebted for their skilful organization of industry and the way it is carried on. But what I wish to do is this: I wish to distinguish between those men who are prepared to share in the government of industry and in the government of the country, and those men who wish to monopolize and dictate in matters of industrial policy and the control of political affairs. You have in every country the two types. You have the men who are willing to work with their fellows and to share with their fellows, and you have others who wish to dictate, who wish to control, who wish to monopolize, and it is these latter groups that have been brought into combination through the circumstances of the country being as I have described them, and who are controlling this country at the present time. Think of a Government permitting itself to lie under the shadow of such an indictment! Mr. Murdock's charges were made on the eve of prorogation a year ago; the Government has taken no steps to free itself from all that those representations imply. Why has Mr. Murdock not beeen summoned to appear before some committee of this House and prove the charges he has made? There is one reason, and one reason only: the Government knows the charges to be true, and that any attempt at investigation will mean the letting in of more light.

Actions speak louder than words, Mr. Speaker, and we have not only the failure of the Government to defend itself against these most serious of charges, but we have also the record of this Government with respect to legislation to protect consumers and producers against the exactions of combines, monopolies, trusts, and mergers that seek to enhance prices and restrict trade unduly. We know, too, its record with respect to profiteering and profiteers.

When the Borden Administration came to power, there was on the statutes an Act to provide for the investigation of combines, monopolies, trusts, and mergers. It was known as the Combines Investigation Act, assented to on May 4, 1910. That law may not have been all that could have been wished; like other legal enactments, it was capable of amendment, but it at least afforded some protection to the public against the unrestricted acts of these combinations.

Under that Act, large powers of inquiry were given the Board of Investigation instituted thereby. The consumers were permitted to name their own member of the board; the expense of investigation was borne by the Government; heavy penalties were imposed upon combines restricting manufacture, trade, or competition. The Act gave the Governor in Council power to direct that, if it appeared to the satisfaction of the Governor in Council that, with regard to any article, there existed any combine to promote unduly the advantage of the manufacturers or dealers at the expense of the consumers, and that if it appeared to the Governor in Council that such disadvantage to the consumer was facilitated by the duties of customs, such article should be admitted into Canada free of duty or at a reduction in the duty.

This important Act was repealed by section 15 of the Combines and Fair Prices Act, passed in 1919. This Combines and Fair Prices Act was meaningless apart from the Board of Commerce Act, passed during the same year. The Acts were passed because at the time the people of Canada asked, yea, demanded that something should be done to check and pursue the profiteers. The fate of this legislation is well known. The truth respecting it has been told in the statements from Mr. Murdock which I have just read.

On February 23, Judge Robson, the chairman, resigned, admitting that he himself was not in sympathy with the Act. Then doubts arose as to the powers of the board, and the matter went to the Supreme Court of Canada, the court dividing itself on that question. In the meantime, the board issued its first report, dated May 1, 1920.

The report, amongst other things, says:

> While the present commissioners had been aware that there was close association between the various manufacturers of and dealers in commodities, your commissioners express profound surprise at the extent to which such organization has proceeded.

And further, about packing houses:

> These packing companies are beginning to exhibit a rather close association in their operations, and it would be quite undesirable to permit them to obtain in Canada anything like the impregnable position which, for a time, they had secured in the United States.

The interim report concludes with a minority report by Mr. Murdock, in which the following appears:

> My belief is that it would be very much in the public interest for the public of Canada to know something more of the reasons that prevented the Board of Commerce of Canada from performing its functions in controlling profiteering and combines against the public interest as by law intended.

Here, early in 1920, was direct information to the Government by its own board of the extensive association between various manufacturers and dealers in commodities, of the combines existing among packing companies, and of profiteering against the public interest. And yet no action was taken by the Government. Instead, the board was allowed to die, or rather, because of its exposures, was strangled by the Government. On June 16, Mr. O'Connor resigned, and a few days later, on June 25, Mr. Murdock, its sole surviving member, resigned.

Then an amazing happening occurred. Some months later, notwithstanding the loss of its entire membership, the board for some reason or another, was resurrected and was reconstituted in a sort of fictitious fashion. Members of the Civil Service were taken from their important posts of duty, and loaned to the board so as to constitute a temporary tribunal. For some little time the public tried to fathom the Government's solicitude on its behalf. It was not long, however, before they were undeceived. It soon became plain that it was not the interests of consumers the Government had at heart. It was the wealthy friends of the Government again, those belonging to one of the specially favoured of the privileged groups, this time the sugar refiners. I shall not go into the details of what took place at the time, the conversations and interviews between the refiners and members of the Government on the one hand, and members of the Government and their temporary appointees on the board on the other. Suffice it to say that, to the amazement of the entire country, the board, on October 14, issued an order fixing the price of sugar to Canadian consumers at 21 cents per pound and virtually prohibiting the importation of sugar at a moment

when sugar was selling in the United States and should have been selling in Canada, at from 12 to 14 cents a pound.

After all that had been made public of the board's doings and misdoings by Commissioner Murdock, this was the last straw. Public indignation has seldom been at a higher pitch. The Government had at last to choose between its friends. In vain the sugar refiners sought to retain for the Government the support of the press, by the distribution of costly explanations paid for at advertising rates. Public clamour could not be silenced, and the Government, for once obliged to heed the voice of the people, suspended the order and allowed the board again to dissolve by permitting the temporary appointees on the board to resign. From that day to this, nothing further has been heard of the Board of Commerce; the combines in almost every branch of commerce and trade have been permitted a free hand and the consumers have been left absolutely without protection of any kind.

Little wonder is it that when Parliament assembled, the Prime Minister found it necessary to give some assurance to his followers that this intolerable situation would not be indefinitely prolonged, and that some protection would be granted the public during the course of the session Protection was promisel, and protection has been given, but it is not the protection that was asked for. More and more protection there has been for the trusts and combines, the super-organization of business, but none for the consumers.

I hold in my hand a despatch to the Montreal Gazette giving an account of the sessional programme as outlined to his supporters by the Prime Minister at the first Government caucus. It is dated Ottawa, February 18. After mentioning that the Government caucus "was informed to-day by the Prime Minister of the sessional programme and its details," it says:

> An important measure not yet before the House was indicated by the Prime Minister;

And it continues:

> "To the caucus the Prime Minister forecast legislation to control trusts and combines where the former Combines Act and the comatose Board of Commerce have failed. This legislation will probably be brought down before the Budget debate.

Hon. members opposite will be able to vouch for the accuracy of the representations contained in this despatch. But what, may I ask, has become of the promised legislation? You will observe, Mr. Speaker, no mention was made of this legislation in the speech from the Throne. That would have been too conspicuous. The friends of the Government would never have permitted that. The assurance of the Prime Minister was enough to silence agitation during the session, and once again we find the Government, with respect to its legislation on trusts and combines, just where it was with respect to promoting trade between Canada and the Mother Country and the sister Dominions, just where it was with its promises of tariff revision—absolutely fettered and manacled by its friends, the few wealthy men who are responsible for the super-organization of business which dictates the Government's policies and controls its actions.

Do you see now, Mr. Speaker, why this session has gone by, with nothing constructive in the way of legislation; why to every one in the House and in the country there appears to be something wanting, something lacking: why the word "reconstruction," of which we heard so much for a time, has virtually been dropped from the vocabulary of the ministry; why, in the two to three-hour speech of the Prime Minister a day or two ago, one will search in vain for a single expression revealing any human feeling or sympathy with the needs of the people; why, from beginning to end, it was one long plea for protection, not protection of the consumer, which is what is needed in Canada to-day, but more and more protection for these few wealthy men and the interwoven financial, manufacturing, transportation, and distributing interests with which they are associated.

Do you see also, Mr. Speaker, why it is, in the Budget which has just been presented by the Finance Minister (Sir Henry Drayton) that this year, as in former years no account whatever has been taken of profiteering; why another year has been allowed to pass without any effort whatever having been made by the Government to recover any of the war-time wealth; why, instead of the removal of any of the taxation that bears immediately upon the masses of the people, the duties upon the necessaries of life, it is the business profits taxes and the luxury taxes that have been abolished? The Prime Minister says we are all for protection. Let him have it so; but let me tell him that the protection for which we stand is the protection of the consumer against the exactions of combines, monopolies, and the super-organization of associated business, not the protection of

these specially favoured organizations against the interests and well-being of the people at large.

At Six o'clock the House took recess.

After Recess

The House resumed at eight o'clock.

Mr. MACKENZIE KING: Mr. Speaker, when the House rose at six o'clock I was speaking of the protection afforded to special interests in their actual or attempted monopoly of Canadian trade and markets. Let me now come to the bestowal of favours in another direction. Mr. Murdock has exposed the manner in which, as respects the necessaries of life, the food, the clothing, the articles required for the shelter of the people, associated businesses, with their trade agreements, combines, and monopolies, have been permitted, with the assistance of a protective tariff, and to the detriment of consumers, to reap their excessive profits through unrestrained freedom of action. Let me now direct the attention of the House to the manner in which, through the interweaving of business associations and interlocking of directorates as respects a different class of enterprises, the Government has, at great cost to the taxpayers of Canada, accorded a privileged position to another few of its wealthy friends.

The two classes of expenditure most severely criticised in this House and throughout the country to-day are the expenditures on account of the Canadian National railways and the Government merchant marine. They are the two classes of expenditure about which the representatives of the people in this Parliament have been able to obtain the least information. The public know that freight and passenger rates have been increased; they know that last year there was a deficit on the national railways amounting to $48,242,536.65; that this year there is a further deficit estimated at $70,331,734.88; and that, despite the increase of rates, the deficit estimated for the ensuing year will in all probability be in the neighbourhood of $100,000,000. They know, too, that despite repeated protests, and without due regard for either the law or customary practice, $70,000,000 has been spent on the construction of the Canadian Government Merchant Marine. They are aware that, as respects the latter, contracts were awarded by the Government without calling for tender; that the work of construction was distributed by the Government among its friends from the Atlantic to the Pacific; that in many cases the contracts had been awarded, and the work permitted to get under way before the money for the purpose had been appropriated by Parliament.

The condition, however, of which the public is not as yet fully seized is the significance of the methods devised by the Government for permitting to a few of its wealthy friends a free hand in the awarding of contracts with public moneys, and claiming for itself immunity from all responsibility to Parliament and the people for enormous outlays of public moneys in the work of construction and operation of these vast systems of transportation by land and sea.

What have hon. gentlemen opposite attempted to do in the various discussions that have taken place in regard to these enormous deficits? They have talked about the increases that have been paid to the labour on the road, and throughout this country a great deal of publicity has been given to the wages that are being paid to the workingmen. Well, the Government talk about protecting labour. Let the people's representatives in this Parliament get the facts, let us find out the truth in respect of these contracts—how they are being awarded, whom they are going to, and the prices paid, and labour will be able to take care of itself. We wish to protect labour just as much as hon. gentlemen opposite, but our methods are somewhat different. We believe the best protection that can be afforded any group of people in this country is the protection which comes from ample publicity in dealing with public affairs, not from concealment.

Talk of the super-organization of business, of the interweaving of financial, manufacturing, transportation, and distributing interests—I venture to say that never in the history of the world has a scheme been devised so well calculated to make interweaving and interlocking of private interests complete, or to permit, on so unlimited a scale, and in a manner so wholly indefensible, the use of public moneys to augment private fortunes at the expense of the state.

What is the method to which I allude? For clearness of understanding as to its significance, let me present, by way of contrast, the method that has hitherto obtained in the management, operation, and control of like enterprises by the Government of this country; the method, for example, that obtained formerly in the management of the Intercolonial railway

and that obtains to-day under the Post Office Department. In both the latter instances, we have the doctrine of ministerial responsibility to Parliament for all that pertains to the management, operation, and control of a government enterprise, fully recognized and adhered to. In everything, the right to the fullest publicity is maintained. Contracts awarded are awarded in accordance with terms and conditions prescribed by law. Parliament looks to the minister, and the minister expects Parliament to look to him, for an accounting of every cent of public money expended under his direction, the names of the persons to whom the contracts have been awarded, the manner in which, and the terms on which, the awards have been made, the prices paid, and so forth and so forth. In other words, it is recognized that public moneys are being expended, that they are held in trust by the ministers of the departments concerned, and that the public is entitled to be satisfied in its mind both as to the necessity for, and the economies exercised in, the transactions pertaining thereto.

Compare this now with the methods devised by the present Administration in the expenditure of public moneys on those vast transportation systems. Both in the case of the Canadian National railway and the merchant marine, the Government has constituted boards of management. These boards are composed almost exclusively of the Government's own friends; almost without exception the gentlemen who compose these boards are associated with large industrial enterprises and businesses which are engaged in the manufacture, selling and distribution of the equipment and supplies required by these Government undertakings. In the awarding of contracts, they are given a perfectly free hand. They may award to whomever they please, in whatever quantities they please, and at whatever prices they please. That of itself one would think, where there was no personal liability, and where the moneys to meet the required payments were not coming out of the bank accounts of the parties concerned, but out of the public treasury, would be sufficient to encourage an all but unlimited degree of extravagance. But what is to be expected where, in addition to this opportunity of helping one's friends, an undertaking is given by the ministry that, no matter what the transaction, notwithstanding it is out of the taxes of the people that payments have ultimately to be made, the people's representatives in Parliament shall be denied all right of inquiry, all right of information, on the score that such right and knowledge are not in the public interest? And yet, Mr. Speaker, that is exactly the situation as it has existed for the past couple of years, and as it exists to-day. Is it any wonder there are huge expenditures and colossal deficits? The wonder of wonders would be how deficits could be avoided under such a system.

Now, Mr. Speaker, that it may not be said this is mere theorizing, let me give to the House the names of the members of the boards concerned, and the names of the companies with which these gentlemen are concerned. But, first of all, let me give a list of a few articles of commerce required in connection with the equipment and supplies of these transportation systems. It requires no understanding of human nature to believe that, unless the gentlemen who are directors of companies directly or indirectly concerned in furnishing such equipment and supplies are woefully neglectful of the business interests it is alike their duty and personal advantage to watch and further in every manner possible, the companies of which they are directors, or businesses associated with such companies, are not likely to be forgotten in the contracts awarded, and in the prices paid for the articles necessary to the equipment and supplies of these vast transportation systems.

But before I speak of the companies with which these gentlemen are connected in a business way as directors, let me refer to the classes of commodities which are likely to be required in large quantities as supplies and equipment for the Government railways and the Government merchant marine.

Iron and steel (locomotives, rails, cars, castings, couplers, bolts, bars, etc.).
Cement.
Oil; coal oil, white lead oil, boiled linseed oil.
Gasoline.
Lumber and timber, for car decking and roofing and for construction (fencing).
Paints..
Cotton and wool waste.
Uniforms for conductors and employees.
Coal.
Food of all kinds.
Ties.
Pullman and sleepers materials.
Electric materials.
Fuses.
Wheels.
Hose.
Air-brake materials.
Tie plates.
Hotel supplies.
Insurance.
Advertising.
Printing.

It requires only the mention of this list to show what enormous patronage is extended through this particular source,—a patronage running into millions of dollars; and all of it, mark you, under this arrangement is disposed of by the Government's friends just where they think best, and the people's representatives in this Parliament are denied all knowledge of where the contracts are placed. Now who are the members of the Board of Directors of the two companies? The personnel of the two directorates is the same, and is as follows:

Mr. D. B. Hanna, of Toronto.
Mr. A. J. Mitchell, of Toronto.
Mr. E. R. Wood, of Toronto.
Mr. R. Hobson, of Hamilton.
Major G. A. Bell, C.M.G., of Ottawa.
Sir Hormisdas Laporte, of Montreal.
Mr. A. F. Barnhill, K.C., D.C.L., of St. John, N.B.
Colonel Thomas Cantley, of New Glasgow, N.S.
Mr. R. T. Riley, of Winnipeg.

What are the companies with which these gentlemen are connected? Now, Mr. Speaker, I wish it distinctly understood that I make no reflection upon any of these gentlemen or their business integrity, I merely place the information before the House and let it speak for itself. This list is taken from the Annual Financial Review for June, 1920, and, by the way, it does not, I believe, begin to include the companies with which these gentlemen are connected in an indirect way, nor is it complete as regards the companies of which they are directors. Mr. D. B. Hanna, is president of the Canada Flour Mills and a director of Canada Steamship Lines, Limited; Electrical Development Company of Canada, Limited; Canada Mortgage Investment Company; British-American Assurance Company; Western Assurance Company; Canadian North Prairies Lands Company; Brazilian Traction, Light and Power Company, Limited; Rio de Janeiro Light and Power Company; Sao Paulo Light and Power Company. Mr. A. J. Mitchell is a director of the Western Canada Flour Mills. Mr. R. T. Riley is vice-president of the Union Bank of Canada and of the Great West Life Assurance Company. Mr. Robert Hobson is president of the Steel Company of Canada, Limited, and a director of the Canadian Locomotive Company, Limited; Bank of Hamilton; Tuckett Tobacco Company, Limited; North Star Oil and Refining Company; Chartered Trusts and Executor Company; British Empire Trust Company; Dominion Power and Transmission Company; Toronto General Trusts Corporation. Sir Hormisdas Laporte is a director of Credit Foncier Franco-Canadian; Société d'Administration Générale; Frontenac Breweries, Limited; La Sauvegarde Life Assurance Company. Mr. A. P. Barnhill is president of the New Brunswick Electrical Company and the Acamac Land Company, Limited, and a director of the Eastern Trusts Company; St. John Iron Works, Limited; James Pender and Company, Limited; Telegraph Publishing Company; Fenton Land and Building Company; Westfield Land Company; Times Publishing Company. Colonel Thomas Cantley is a director of Eastern Car Company, Limited; Nova Scotia Steel and Coal Company, Limited; Brandram-Henderson Paints and Varnishes. Mr. E. R. Wood is president of the Central Canada Loan and Savings Company, vice-president of the Canada Life Assurance Company; National Trust Company; Brazilian Traction, Light and Power Company, Limited, and director of British-American Assurance Company; Western Assurance Company; Canadian Bank of Commerce; Dominion Steel Corporation; Toronto Savings and Loan Company; Calgary Power Company; Mexico Northwestern Railway Company; Barcelona Traction, Light and Power Company, Limited; Rio de Janeiro Tramway, Light and Power Company; Sao Paulo Tramway, Light and Power Company; Mexico Tramway Company; Mexico Electric Light Company; Toronto Railway Company; Toronto Power Company, Limited; Toronto Electric Light Company, Limited; Electrical Development Company of Canada, Limited; Dominion Securities Corporation, Limited.

Major Bell, being the Deputy Minister of the Department of Railways and Canals, is not included in the list of directors of any companies. I imagine that if he is doing his full duty as a deputy minister, which I believe he is, his whole time is taken up in the department and practically none of it can be given to the work of this Board of Management.

In this connection, Mr. Speaker, let me repeat that I do not for a moment desire to be considered as reflecting upon the honesty or business integrity of the gentlemen connected with these various boards. All I wish to say is that if these gentlemen are directors of a large number of business enterprises from which commodities in the nature of supplies and equipment for the railways and merchant marine can be or are being obtained, they

are not true to their obligations as directors of those business concerns if with the inside knowledge they have of what is available in the way of contracts they do not go after those contracts and try to get them for the companies with which they are connected. That is their duty. The duty of a director is to watch the interests of the businesses with which he is connected, and I say that these gentlemen being on the board of directors of various companies, and having knowledge of large numbers of contracts running into millions of dollars, it is certain that they would not be doing their best by the companies of which they are directors if they did not look out for the interests of those companies.

Could interlocking of directorates be carried to a degree of greater perfection? Just think of it, Mr. Speaker, all these vast industrial concerns, and many more, to all intents and purposes represented by this little circle of favoured individuals who comprise the Board of Directors of the Government railways and merchant marine, who have a free hand in the disbursing of millions upon millions of the public moneys, with a guarantee that no information will be given to the people through their representatives in Parliament as to how or to whom the moneys were distributed. Need we look further, Mr. Speaker, for an explanation of the size of the deficits in these undertakings, and the vastly increased expenditures, and consequent increased taxation to which the people of Canada are being subjected. Could a more powerful combination of business interests be imagined? What government under such a system should not be able to keep itself in power indefinitely?

I wish now to refer to a somewhat parallel method of dealing with public moneys in a manner which ensures benefits to friends of the Government and not to friends only, but to supporters in this House. I shall not take up much time in referring to this parallel; it was referred to at some length last night by the hon. member for Chambly-Verchères (Mr. Archambault). I refer to the system of making loans of public money to foreign countries and then, through the agency of the Government or its friends, ensuring the placing of contracts with business concerns in this country, with which members of this House are associated as directors, the money, in settlement of these contracts, being paid out of these loans to foreign countries. Remember, Sir, that this money is the money of the taxpayers of Canada. The Government in thus loaning it and allowing it to be disbursed for the purchase of commodities to be sent to these different countries, has devised another scheme under which so far as any accounting for public funds is concerned, there is no way of finding out what opportunity there has been for freedom of competition or what opportunity there has been for anyone other than the immediate friends of the Government to secure contracts. Sir, as an indication of the way in which this system works, let me cite to the House some of the contracts which have been awarded and some of the orders given to industries with which some friends, not remote, but immediate friends of the Government, sitting on Government benches opposite, are concerned. I shall spare the House the possible pain of having to listen to the names of hon. members who are directors of these concerns.

Mr. SHEARD: Give the names. Let us have it all.

Mr. MACKENZIE KING: My hon. friend is not one of them, so he is perfectly safe in calling for the names. But while he nods his head in one direction some of his neighbours are shaking theirs in another.

Mr. SHEARD: Let us have the names. Let us have the facts.

Some hon. MEMBERS: Order.

Mr. ARCHAMBAULT: Take your medicine.

Mr. MACKENZIE KING: In order that the House may appreciate what this system amounts to, I may say that the Government have given to Roumania a credit of $25,000,000 and to Greece a credit of $25,000,000. It is extremely doubtful, as has already been pointed out, whether these amounts will ever be wholly refunded. Of these amounts $26,989,000 has already been advanced. Now, of the amount of $26,989,000 advanced to these countries, which since the war have been in great need of foodstuffs especially, $3,500,000 has gone for foodstuffs and some $23,460,000 and over has gone in the supplying of manufactured articles to these particular countries—manufactured articles for which we in Canada, according to my hon. friends need such great protection. Of the manufactured articles supplied, contracts have gone to the following concerns of which some hon. gentlemen on the opposite side

and one or two Senators, friends of the Government, happen to be directors: Brantford Roofing Company, $65,000; Welland Vale Manufacturing Company, for edge tools, $137,234.87; Maritime Nail Company, nails, $77,304.95; Dominion Iron and Steel Company, $66,138.48; Sherwin-Williams Paint Company, $31,490 and $11,-332; Monarch Knitting Company, knitted goods, $293,295.80; Stanfields Limited woollens, $21,780; Renfrew Woollen Mills, woollens, $114,041; Massey-Harris Company, agricultural implements, $536,000; Peck's Rolling Mills, $26,694.96.

There, Mr. Speaker, are some of the contracts which run up, as I say, to somewhere around $23,000,000 of the money of the people of this country, which has been lent to these various countries and which has found its way back to companies of which hon. members of this Parliament, sitting opposite to me and listening to my remarks at this moment, and other friends of the Government are directors and managers. I do not know in what terms one can adequately describe such a use of the public moneys. Hon. gentlemen opposite think there is nothing irregular about it; that it is all perfectly right and proper. Well, I hope we are not losing altogether the British tradition that when a man takes a seat in Parliament he is at least supposed to be above reproach in the matter of contracts with which he and the concerns with which he is connected have to do in so far as they involve business relations with the Government. But, perhaps, it is a matter of little wonder that hon. members opposite should find it difficult to see anything wrong in this procedure, when we find the Prime Minister himself standing up and defending in this House the action of one of his colleagues in soliciting business from another government for his private firm and using as a means of getting that business the influence and prestige of his office as Minister of Customs and Inland Revenue. We are now beginning to see some of the reasons for the enormous expenditures to which the people of this country have been subjected and for the steady increase in the burden of taxation.

I have referred to the action of a minister of the Crown in soliciting business—the carrying of cargoes from France to Canada. I would point out that that minister is a member of a Government which is managing a merchant marine, a merchant marine which has not sufficient business to enable it to operate profitably; yet he uses his name as a minister of the Crown in order that he may enter into competition with the Government's own business; that he may take away that business from the Government and give it to his own firm. And the right hon. the Prime Minister stands up in this Parliament and defends that kind of thing. Well, Mr. Speaker, as long as my hon. friends opposite have that conception of public morality I see no hope of economy in public expenditures or that the taxes upon the people will be made less burdensome.

Now, Sir, in order to conceal these methods of doing business, in order to remove their possibilities from the arena of public discussion, to divert public attention and the public mind from any careful consideration of this stupendous situation, the one really menacing factor in our national life, the right hon. the Prime Minister is at great pains, whenever he speaks, whether on the platform or in this chamber, to misrepresent the position and the attitude of his opponents on the tariff, in the hope that their time will be spent in refuting his misleading statements. It is perhaps natural that he should adopt such a course. I regret that the Prime Minister is not in his seat this evening, and that he has not been in the chamber all afternoon; I should have preferred to address these remarks through you, Mr. Speaker, direct to him. However, he will, no doubt, have an opportunity of reading them, and I trust that he will pay particular attention to what I have to say in regard to the tariff. Having misrepresented, session after session, the intention of the Government itself with respect to tariff revision, it is not surprising that he should adopt the same tactics in dealing with the intention of his opponents. In the few remaining minutes that I desire to speak, may I attempt to show the nature of these misrepresentations, and at the same time restate the Liberal position as it is and as it is set forth in the amendment which is before the House? Hon members will recall that my right hon. friend, in his speech of a day or two ago, said he wished primarily to deal with the amendment. I shall endeavour to follow him in this particular, though in others I hope I may escape the ill effects of his bad example.

My right hon. friend has misrepresented the position of his opponents in three important essentials. My hon. friend, the leader of the Agrarian group (Mr. Crerar), has shown wherein this is true of himself, and hon. gentlemen with whom he is associated. May I be permitted to do the same

as respects myself and the position of the Liberal party? In this matter of the tariff, we have been misrepresented by the Prime Minister and his colleagues as to principle, as to aim, and as to method.

First, as to principle. My right hon. friend has endeavoured to have it appear that the issue, as respects the tariff, is one of free trade versus protection. Over and over again, he has made this assertion. Sometimes, oddly enough, he has said that we of the Liberal party, like himself, believed in a tariff based on the principle of protection; at other times he has said that we believe in a tariff based on the principle of free trade; then again he has said that, as respects the tariff, we have no principles, or were without any principle. Quite obviously, all three statements are not correct. As a matter of truth, not one of them is correct. That I may do my right hon. friend no injustice, let me quote a sentence or two from one or two of his speeches. I shall give only one or two quotations, but they will have a familiar sound to hon. members of the House. Here is a quotation from a speech delivered by the Prime Minister at Sherbroke on September 21, 1920, as reported in the Montreal Gazette of September 22. My right hon. friend said then:

> What then is the issue? It is the old subject of trade policy.
>
> Back to the old question of free trade or protection the pendulum has swung again. Once more the people of Canada have had to decide whether one principle or the other is to prevail.

Elsewhere in the same address my right hon. friend used these words:

> We have, therefore, a clear-cut issue. Do we want free trade in this country or do we not? . . . . The majority of the opposition to the Government of the day is composed of free traders. . . .

There is a positive statement made by the Prime Minister of this country, although my right hon. friend knows as well as I do that the issue is not between protection and free trade. He knows that there is no free trade issue in this country at the present time.

An hon. MEMBER: Oh, oh.

Mr. MACKENZIE KING: My hon. friend laughs. Let me repeat, Mr. Speaker, the issue is not between protection and free trade. If any one has any doubts on that score, let him read the second clause of the amendment which is before the House, and which will be supported unanimously, I believe, by hon. members on this side of the House. What is the first sentence of that clause? It is to the effect that existing financial requirements of the Dominion demand the maintenance of the customs tariff. So long as you recognize a customs tariff, you cannot have free trade. The tariff is, as this amendment states, a tax. It is a tax on imports, and a tax on imports is an obstruction to trade. Free trade means the absence of all tax; it means what it says, complete freedom of trade, and the raising of revenues by some other method exclusively, by income tax, for example, and when my right hon. friend says that the issue is between protection and free trade, he does not describe the situation aright. The minute a tax is imposed on trade, that moment trade is obstructed. The obstruction may be made to serve primarily one of two purposes: it may be made a means of raising revenue, or it may be made a means of affording protection to some industry within the country. Usually it serves both purposes in some measure. A tax imposed for purposes of protection will incidentally afford revenue, and a tax imposed for purposes of revenue will incidentally afford protection. The art of statesmanship in the imposition of taxation lies in making taxation as light as circumstances will permit, and in having regard for existing national needs in whatever taxation is imposed. The issue, so far as the Liberal party's attitude on the tariff is concerned, is not and never has been in this country, between free trade and protection; it has been between a tariff imposed primarily for purposes of protection, and a tariff imposed primarily for purposes of revenue.

My right hon. friend says it is either free trade or protection; that there are only the two grounds: there is no middle ground between. Let me quote his exact words:

> I said a moment ago that any body of men framing a tariff must adopt one of two principles, the protective principle or the free trade principle, and I say that every public man owes it to the people to declare definitely on which of the two principles he stands.

That was a statement made at Winnipeg on October 25, 1920. The House will observe that my right hon. friend is choosing his own ground in making the alternative. He makes the assertion, and then he begins to argue from his own premises, but his premises are not right to begin with. He says:

> There is a free trade tariff, and there is a protective tariff.

He goes on to say:

> Is there a man or woman here who knows whether Mr. King stands for tariff on the free trade principle, or on the protection principle? You may keep on asking him, but you will never get an answer, yes or no.

My right hon. friend knows very well that I never give an answer, "yes" or "no," on premises that are entirely false. The question is not between protection and free trade. He says, in an issue between protection and free trade, there is no middle ground. In that I agree with him, if by protection he means tariff and by free trade absence of tariff. The one is the negation of the other. That issue may be fought out theoretically, but practically there is no such issue in this country, and never has been. My right hon. friend says: "You can have two kinds of tariff and only two; you can have a tariff founded on one principle, that of protection, or another principle, that of free trade." That, Mr. Speaker, is where my right hon. friend misstates the case. You cannot have a tariff on the principle of free trade, for the principle of free trade means the absence of all tariff. What my right hon. friend should have said, what he would have said had he not deliberately been trying to becloud the issue, when speaking of the only possible alternatives of a tariff, is that there are but two kinds, a tariff based on the principle of protection, and a tariff based on the principle of revenue. Had he stated the alternative in these words, he would have correctly described the issue.

In dealing with taxation, the aim should be, as the amendment before the House states, to make taxation fall as lightly as possible upon the people of the country. The art of statesmanship as respects taxation, and as respects anything else, consists in having as much regard for the interests of the country as possible. If, when you are framing your tariff with one object or another in view, you do not take into consideration all the other objects that are to be served, you do not do your full duty to the people whose representatives you are. Unless my hon. friends opposite, when they are framing a tariff for purposes of protection, say that they will give no consideration to the revenue that is to be raised they should not hurl a stone at us because in regard to a tariff designed primarily for revenue purposes, we have some regard for the interests and needs of the country in whatever direction those needs may present themselves. As regards the tariff, my right hon. friend has never once spoken of there being an issue between a tariff primarily for revenue and a tariff primarily for protection. He has tried to make an issue between free trade and protection, and speaking of the first alternative and omitting altogether the second, which must be as familiar to him as it is to every other hon. member of the House, he has shown that he has been trying to draw away the minds of the people from the real issue and cause them to think of something which is not the issue at all.

The position which I have just stated has been the position the Liberal party has taken in regard to the tariff since it has taken any practical interest in tariff matters. In the last speech he delivered on the Budget before the war, the Right Hon. Sir Wilfrid Laurier stated in the clearest possible terms the position of the Liberal party on the tariff. Here are Sir Wilfrid Laurier's words. They will be found in Hansard of April 23, 1914, page 2844:

> We have always contended, that the policy best suited to this country is not a protective tariff but a customs tariff for revenue purposes.

There is the statement of Sir Wilfrid Laurier. There is the statement of the Liberal party in the matter of the tariff. That is where Sir Wilfrid stood; that is where I stand; that is where our party stands and is prepared to stand when the day of reckoning with the electorate comes.

As to the aim of our fiscal policy, my right hon. friend states that we aim to destroy the industries of Canada, though here again he finds himself in a curiously contradictory position. He says that in the West, where he alleges they want Free Trade, we are free traders, and that in the East, where he alleges they want Protection, we are protectionists. That, Mr. Speaker, would look as though, instead of seeking to destroy, we were doing our utmost to conserve.

My right hon. friend, if I may be permitted to say so, in this regard has done his utmost to misrepresent me personally, from one end of the country to the other. The other day, from his seat in the House, he could hardly wait until he had hurled across the floor at me that I particularly was being subjected to the criticism by the public that I stood in one place for one thing and in another for another; that I particularly had created throughout the country the impression that I was trying to be all things to all men. Here is a statement of my right hon. friend as given to

the women of Toronto. I think my right hon. friend should have been a little more careful of the truth in talking to the ladies. This is from a report in the Ottawa Citizen of April 18 of a speech delivered by the Prime Minister at a meeting of the Women's Liberal-Conservative Association at Toronto on April 16:

> Touching on the tariff question, Premier Meighen said that in Eastern Canada the opposition had advocated moderate protection, and in Western Canada free trade.

Then as reported in the Mail and Empire's account of the same meeting:

> In Eastern Canada, the Opposition had advocated moderate protection, and in Western Canada, free trade. Everything their leaders had spoken had bound them to free trade.

I should like to say to the Prime Minister of this country—I do not know whether the rules of the House will permit it—but if the rules permit it I would say that he knew that was not true when he said it. If the rules of the House so permit, I will say that, but if they do not, I will not, Mr. Speaker.

Mr. DEPUTY SPEAKER: I must point out to the hon member that the rules of the House would not permit him to say that any hon. member of the House wilfully made a mis-statement or told an untruth.

Mr. MACKENZIE KING: Then, Mr. Speaker, I am prevented from saying what I should like to have said. However, I wish to say this: that statement is not true, and every hon. member of this House knows that it is not true. Then at a meeting of the Conservative Club, in Toronto, on April 16, 1921, the Prime Minister is reported in the Toronto Mail and Empire as saying::

> But is there any one knows where the Hon. William Lyon Mackenzie King stands? . . . . . Mr. King was an advocate of ruthless tariff reduction out West, but in the East he stood for the adequate protection of industry.

I challenge the right hon. the Prime Minister to point to any utterance of mine in the West than can possibly be understood as meaning that I stood for ruthless tariff reduction. It is very easy to misrepresent, but it is another thing to undo the evils of misrepresentation. My right hon. friend has gone out of his way to have it appear that my attitude on the tariff has been one thing in one place and another in another. He says I have not been frank on the tariff issue. His example in that particular has been followed by his colleagues and many of his supporters, and has been enlarged upon, of course, by his party press. Indeed, the order has gone out from my right hon. friend's office, through his publicity office, that this is to be the line of attack upon myself and the Liberal party; that it is to be made so much of a barrage on all occasions that the public is not to have an opportunity of ever learning the truth that is being obscured by this policy of misrepresentation.

As I have said, some of the colleagues of my right hon. friend the Prime Minister have followed his tactics. I was somewhat surprised to find my hon. friend the Minister of Finance doing exactly the same thing. I have here a speech delivered by my hon. friend at Peterborough in which he said, as reported in the Ottawa Citizen of January 31, of this year:

> Now Mr. King comes into West Peterborough and tells the people that if the Liberals got into power tomorrow they would not make a single change in the tariff without first submitting it to the people.

Now that was not wholly true to begin with. I was referring to the by-election and the consequence of it, and I told the electors of Peterborough, what was true, that if on a vote of want of confidence in this House the Government opposite should be defeated, and we on this side of the House should be called upon to associate ourselves together in a Government, we would not do what hon. gentlemen opposite were then proposing to do, namely, revise the tariff, before there had been an appeal to the people, but that we would state to the people what our tariff policies and principles were, and that the people would be given a chance at a general election to pass upon them.

Sir HENRY DRAYTON: That is what was said.

Mr. MACKENZIE KING: If that is now my hon. friend's interpretation, I am glad to have it But what about this? My hon. friend went on to say, and this is in quotation marks:

> "Out on the prairies, Mr. King is one of the most marvellous free traders and tariff-smashers you could find anywhere."

Again, I ask my hon. friend to point to a single utterance of mine which justifies that remark. He cannot do it.

Sir HENRY DRAYTON: No difficulty whatever about it. All that was necessary at that time was to read the newspaper reports of my hon. friend's utterances.

Mr. MACKENZIE KING: I challenge my hon. friend to bring into this House

and read to hon. members any bona fide report of any utterance of mine that justifies a statement of that kind. Such statements, Mr. Speaker, I say are absolutely false and untrue. The speeches I made through the Canadian West were made in the hearing of thousands of persons; they were reported very fully in the western papers, and in despatches to the East; they were made within the hearing of several hon. members of this House, and I challenge both my hon. friends, or either of them, to point to a single sentence in all that I have said which will afford a shadow of justification for their allegations. I have looked through the press reports of the different speeches I made in the different cities, and I find that every one of them on this question of the tariff tallies, verbatim et literatim, with the policy of the Liberal party as I have already stated it in this House, and as it is known to the country. There is not a single item in any of those newspaper reports to justify any such statement as was made either by my hon. friend the Minister of Finance or the right hon. the Prime Minister.

Sir HENRY DRAYTON: I will be pleased to send a report of a speech to my hon. friend.

Mr. MACKENZIE KING: No, read it to the House. My hon. friend knows that secret communications are not a desirable way of carrying on public business. That there may be no misunderstanding as to the position I took on the tariff during the western trip last fall, that there may be no misunderstanding as to the position I took on the tariff when I spoke in the Maritime Provinces a little over a year ago, that there may be no misunderstanding of my present attitude on the tariff may I read to the House from the account of a speech which I delivered in the city of Toronto on August 14, of last year, before starting for the West, and which appears under the conspicuous heading, "Mr. King on All-Important Tariff Issue —A tariff for consumers and producers". on the front page of the Toronto Globe of August 16. That statement, to all intents and purposes, is identical with the presentation of the Liberal attitude on the tariff as made at every meeting at which I have spoken on the tariff since the Liberal Convention of August, 1919. It is in all essential particulars true to the Liberal platform as laid down at that convention, and it is absolutely in accord with the aim of the Liberal party on fiscal policy as set forth in the amendment before the House.

[Mr. Mackenzie King.]

I challenge any man or woman in this country to show that I have anywhere, at any time, swerved from the views and opinions and statement of policy as set forth in this quotation, which is both clear and comprehensive. Before giving the quotation from the Globe—may I say this to my hon. friend from Centre Vancouver (Mr. Stevens) who I understand is to follow me, and with whom I see the Minister of Finance is at the moment conferring, that my hon. friend from Centre Vancouver, when he spoke in this House in the debate on the Address, made certain quotations from western papers which I have looked into since, and I find that my hon. friend quoted only part of what I said and never finished the sentences. I ask him when he speaks in this debate tonight, if he reads any extracts of my speeches, not simply to pick out the parts that suit his purpose, but to read the entire paragraph. This is the quotation which I wish to give from the Toronto Globe of August 16, 1920:

> Speaking on the all-important tariff question at the Liberal picnic Saturday, Hon. W. L. Mackenzie King, Liberal Leader, said:
>
> "We believe that the time has come, indeed that it is already long past, when a downward revision of the tariff is necessary. In this revision we believe that there should be substantial reductions of the duties on the necessaries of life, in other words, on those articles which go to make up the food, the clothing, the shelter of the Canadian people; that certain specific articles required for the purposes of consumption and other articles essential to production should be placed upon the free list, and that in regard to the implements of production in the basic industries of agriculture, mining, lumbering and fishing there should also be a substantial reduction of duties. It is not a question of free trade or protection. . . ."
>
> "In revising the tariff to this end care will be taken of the position and needs of all the industries in our country, but such tariff as may be necessary in this connection will be, under Liberal policy, a tariff for consumers and producers, and not a tariff to further the interests of combines, monopolies or of any special or privileged classes. . . ."
>
> "It is not honest to say that we can do away with the tariff. We can revise it, and that is the policy of the Liberal party. And I shall say in regard to tariff policies exactly the same in the city of Toronto as I shall say in the Western Provinces. I have not one message for the city and another message for the country—one message for the employer and another for the employee."

Mr. BALLANTYNE: Will my hon. friend be good enough to tell the House if he stands by the policy of the Liberal party, as outlined at the Convention of 1919, favouring a British preference of 50 per cent?

Mr. MACKENZIE KING: The statement I have just read to the House is intelligible to every hon. member, and I

think my hon. friend has quite enough intelligence to see whether there is anything that is inconsistent, in what I have just read, with the platform laid down by the Liberal party at the Liberal convention. Now, Sir, my hon. friend the other day, in the course of his address, quoted from a speech of mine in Victoria, and from an article contributed by me to Maclean's Magazine in January last. I have no doubt that the hon. gentleman made a thorough search in every direction before he got hold of that speech and that article, and they may be presumed to be the best examples he could obtain for the purposes of his argument. I do not know whether his reading of them supplemented by his tone and gesture, served his purpose, but if he will compare that speech and the article in Maclean's Magazine with what I have just read to the House, he will find that they not only accord with each other, but are almost identical in language with the speech in Toronto from which I have quoted. In one or two respects, it is true, the article in Maclean's Magazine contained matter not there stated. For example, I find this clause.

Mr. BALLANTYNE: Nothing about preference.

Mr. MACKENZIE KING: Just wait a minute. I do not know whether my hon. friend is the one who is responsible for getting his party to strike out that clause in regard to promoting trade between the Mother Country and the Dominions. It seems to me, from the nature of his remarks in the House, that he is acting as the special agent for those who were desirous to delete that clause from the party platform. Now, in the Maclean Magazine article of January 15, there is this additional sentence:

> In this revision, we believe that the home and its needs should be a first consideration.

I want to emphasize that fact. I want to make it clear that in revising the tariff of this country we are going to consider first, foremost, and always, the needs of the homes of the people of the country. Then there is the further statement:

> With the Liberal party, the main concern respecting the tariff is not free trade or protection; it is revenue, and the simultaneous development of industry in such manner as is likely to serve best the interests of the Canadian people. . . There will be required for purposes of revenue large sums of money which, of necessity, will have to be raised by indirect taxation through a customs tariff.

Now, I think I have perhaps said enough to make clear the position which we, on this side of the House, and which I myself, take in regard to the tariff and the principle on which it should be framed. The aim we seek in a revision of the tariff has been well set out in the amendment which is before the House. The Prime Minister (Mr. Meighen) would have the country believe that our aim is to destroy industries throughout the country, as though any political party would seek in any way to destroy the industries of a nation, and its consequent prosperity. What we aim at is well set out in these two clauses of the amendment:

> That the aim of the fiscal policy of Canada should be the encouragement of industries based on the natural resources of the country, the development of which may reasonably be expected to create healthy enterprises giving promise of enduring success;
>
> 4. That such changes should be made in the customs duties as may be expected to reduce the cost of living, and to reduce also the cost of implements of production required for the efficient development of the natural resources of the Dominion.

That aim, I contend, is in accordance with the needs of Government, in accordance with the needs of the country, and in accordance with the needs of the great body of consumers in this Dominion.

9 p.m.

Now, finally, a word as to the method by which, if entrusted with the duty of tariff revision, we should wish to proceed. My right hon. friend the leader of the Government, when on the public hustings, has a way of describing those who disagree with him in any particular as Bolshevists, nation wreckers, I.W.Ws., O.B.Us., and by any other epithet that denotes destruction and revolution. The right hon. gentlemen should be somewhat more careful of the language he uses. Let me say that the only aim we have is to do things in an orderly and decent manner, and that aim is well set out in paragraph 5 of the amendment:

> 5. That, while keeping this aim clearly in mind, the House recognizes that in any readjustment of the tariff that may take place, regard must be had to existing conditions of trade, and changes made in such a manner as will cause the least possible disturbance of business.

When the language of this amendment is used or when in speaking I say that in revising the tariff some regard should be had to the position and needs of industry, immediately my right hon. friend gets up and says that we are in exactly the same boat as he is and out for protection. Well, I know that my hon. friend is fond of monopolies, but when has he ever had the right

to a monopoly for doing things in an orderly fashion? We on this side believe, as respects the tariff, and as respects everything else of national importance, in proceeding along evolutionary, not along revolutionary, lines, and, if the opportunity is given to us, anything that we do shall be done exactly as described in the spirit of this amendment.

Did time permit, Mr. Speaker, I should like to refer at some length to the last clause of the amendment.

Some hon. MEMBERS: Go on.

Mr. MACKENZIE KING: No, I will not. With regard to the last clause of the amendment, I desire to say only a word or two. In many respects, it is its most important part. My right hon. friend said that he intended to address himself to the amendment, but I observe that, although he spoke for two hours and a half, he omitted altogether reference to this particular clause. No doubt he felt that reference of any kind would prove embarrassing. Let me read this final clause:

> 6. That the House, while recognizing that the obligations arising from the war must be met, and declaring its readiness to make all necessary provision for that purpose, regrets that the financial proposals of the Government are not made with due regard to the economy that is so urgently needed, and expresses the opinion that, before resorting to new taxation, the Government should make a subtantial reduction in the proposed expenditure.

This clause, Mr. Speaker, goes to the root of the matter. As I have said, unless we can keep down expenditures through economy and retrenchment, tariff revision will be of little service in any respect. I might repeat what has been so truly said by hon. members as to the many ways in which economy and retrenchment might be exercised with respect to the Estimates that have been presented to the House—as to how economy might be effected as regards the railways, the Merchant Marine, the foreign credits of doubtful nature, of which I have spoken, as regards the building of dry docks and piers, and as regards certain matters in respect of which the provinces are associated with the Federal Government and which might well be left for the present to the provinces alone, such for example, as questions of technical education, housing, and the making of roads; and, also, as to how economy might be effected with respect to military, naval, and police expenditures, all expenditure which we might in very large measure considerably curtail, for a while at least.

Now, Sir, with all these statements I am in entire accord, but what I wish to say is this: With a situation such as we have, and such as we know exists, economies effected in the directions suggested mean simply the lopping off so many branches here and there while the tree itself is decayed at the heart and rotten at the roots. We must go deeper than these surface indications and deal with the vitals and crux of the situation. It will avail but little to discuss the Budget in its details when we have a super-organization of business interests controlling the Government and dictating its policies; when we have an interweaving of financial, manufacturing, distributing and selling interests with some of their more ambitious members associated with hon. members who hold their positions in the Government against the will of the people; when we have groups of special friends helped by means of loans and foreign credits such as I have already described. When you have that kind of situation, what can be accomplished in the way of small economies here and there will have very little effect indeed in meeting the real issue. What is needed most in this country to-day is to break this selfish combination of political autocrats and industrial plutocrats which has grown and developed during the war and fastened itself like an octopus on the people of Canada. That, Mr. Speaker, is a task which is too large to be performed by this House; it is a task which the people alone can successfully undertake. We of the Opposition may do our best, but we are powerless when the Government has in its hands, and uses against us, the weapon of the closure the minute, on matters of public expenditure, we try to let in light. The only way in which that combination can be broken is to give to the people of this country their right to have a Parliament composed of their own representatives chosen in their own way. Until that right is granted we will never know what the assets or liabilities of this country are. What is the good of discussing the Budget of my hon. friend in its few details when we have this great combination at work using public funds in all directions to further the interests of a few specially favoured groups? We may make the best effort we can—we have been doing that—but we are powerless in the face of the weapons that hon. gentlemen opposite are prepared to use on behalf of the interests that are sustaining and keeping them in power. But we do ask—and ask in the

name of the people of this country—that for the sake of Canada's present condition and for the sake of her future need, the people be granted the right—the constitutional right which is theirs—of electing a Parliament of their own choosing, and of breaking without further delay a combination which is so inimical to the public weal.

Mr. H. H. STEVENS (Vancouver Centre): Mr. Speaker, when the leader of the Opposition (Mr. Mackenzie King) opened his remarks this afternoon he upbraided the Prime Minister (Mr. Meighen) for occupying two hours and a half of the time of the House. I would like to draw my hon. friend's attention to the fact that he has equalled the effort of the Prime Minister in so far only as time occupied is concerned. My hon. friend has succeeded in placing upon Hansard almost an exact copy of a stump speech which he has been uttering from one end of Canada to the other.

Some hon. MEMBERS: Oh, oh.

An hon. MEMBER: Take it back.

Mr. DEPUTY SPEAKER: Order. Once again I must call upon hon. members to assist the deputy speaker in upholding the dignity and decorum of Parliament. I fear that several hon. members have forgotten that these deliberations are taking place in the House of Commons.

Mr. STEVENS: I know my hon. friend's opposite somewhat resented my reference. I had no desire to cast any reflection upon the speech which the leader of the Opposition has delivered through the country. It was eloquent, and I propose dealing with many features of it. I want to say that I have a high regard for my hon. friend's ability on the platform. I must confess however, that I have not quite as high a regard for the conclusions which he arrives at.

Now my hon. friend has spent a good deal of time this afternoon and evening in repeating his old charge that this Government is the creation of invisible, unnamed big interests. The hon. gentleman knows that that is a very useful cry, that it appeals to a certain class of the population in this or any other country—anything that is in the nature of "a big interest" presents itself in an onimous fashion before the minds of the people. Therefore my hon. friend considers it good tactics to associate this Government, and particularly the Prime Minister, with what is known as "big interests". I have two things to say to the House in regard to that. The first is that I think it is most unfortunate for any leader of public opinion, or anyone attempting to lead public opinion, to constantly harp upon the idea that wherever you have capital associated in companies or corporations you necessarily have corruption and that which is inimical to the best interests of the community. That is not the case. This is the day of big businesses. This is the time and the period in the development of civilization when small amounts of capital are associated in larger capital organizations for the purpose of the development of business generally. It is an economic situation, and no man has a right to constantly insinuate that there is a sinister influence behind such. The second thing I desire to say is that if there is any foundation for what my hon. friend says, if there is any ground upon which he can base his insinuation that there is "a sinister influence"—and I use his own words—then he owes it to this House, and he owes it to the country to say what is the sinister influence and who the individuals are that he has in mind. Will my hon. friend name them? Will he tell this House what big interests are behind this Government and directing its affairs contrary to the interest of the country at large? I might go on and ask my hon. friend to name the large interests of the country to which he has reference, but I think that would not be fair; I do not think it would result in any good. But my hon. friend has no right at meetings in the country, or in this House, to insinuate that there is, as he says, "a sinister" influence behind the Government in the form of "big interests".

Now I am going to deal with some matters that my hon. friend brought up. For instance the hon. gentleman spent considerable time on the system of national railway control in this country. It is not my intention to go into that in detail, but I submit that my hon. friend has given to the House a subject which is quite a proper one for controversy. He holds that the national railways of Canada should be under the control of a minister of the Government and be run by his department. Parliament decided two years ago that another method should be adopted,—the incorporation of a company and the appointment of a board of directors. I grant that my hon. friend has a perfect right to take the position he does, but I question his right in drawing a picture which goes to every quarter of this country, in which he insinuates not only that the board of directors of the national railways are irre-

sponsible—that is his own word—but that there is some form of sinister maladministration by them. These directors are leading citizens of the Dominion, selected from various parts of the country, and they have been before the public in one capacity or another for many years. They are all honourable men, and I submit that my hon. friend did neither himself nor this House credit when he insinuated that they were doing things as directors that were dishonourable, and that they themselves were dishonest,—because if they were not there was absolutely no force in my hon. friend's argument. He stated that they were distributing the money of this country regardless of the cost to friends of theirs and to companies they were associated with.

Now, my hon. friend has no right to make that statement unless he can bring to this House some proof to substantiate it; and, if he has that proof up his sleeve, then he owes it to this House and to the country to lay it on the Table. My hon. friend no doubt would interrupt and probably would say: "But we have not been given all the correspondence." That is an old demand of his. In the various motions he has brought before this House he has demanded that all the correspondence, all the contracts, and all other information in connection with the national railways shall be laid on the table of the House. But I draw this to your particular attention, Mr. Speaker: he has never moved for any specific, closed contract, and that is all we get from the Auditor General or from any department. There is no opposition whatever from this side of the House to bringing down any reasonable information that my hon. friend wants, but neither he nor any other member of the Opposition has ever moved for specific information. They say to us and to the Government: "Bring down everything, lay it on the table of the House, and let us rake it over to see if we can find something that is wrong." If he suspects there is anything wrong with the transactions between the Canadian National Railway Company and the firms with which the board of management are connected, let him name those members, let him ask for what he wants, and in all probability he will get the fullest possible information.

And so I say to my hon. friend that his course is not fair in discussing the principle whether there is to be departmental or company control of our national railways. We hold that it is better that the national railways should be run by a board of directors, similar to the management of the great Canadian Pacific Railway Company, rather than as a department of this Parliament. My hon. friend cited the Intercolonial, but surely he does not presume to bring that railway forward as an example of first-class management. Why, ever since the Intercolonial has been in operation, and that was before 1870, it has never paid a cent of interest on the capital investment, and nearly every year it has had a deficit in operation. Yet my hon. friend says: "This is the system that we want." He has a perfect right to say so, but he has no right, I repeat, to drag the names of honourable men before this Parliament and insinuate that they are dishonourable in the discharge of their duty,—so insinuating under the protection of his position in this House and for the purpose simply of making an argument to bolster up his case.

Now, Mr. Speaker, it is my intention to follow my hon. friend in some detail, but I shall do so in connection with the problems and questions that have been raised in the course of this debate. I think perhaps if I were to describe my hon. friend's speech in one sentence, I would say that he has succeeded in coining a new phrase, which no doubt will appear in most of the newspapers to-morrow, namely, "political autocrats and industrial plutocrats." That is going to be the battle cry of my hon. friend. That is what he seeks to establish.

He had something to say about the loans to Roumania and Greece. My hon. friend from Chambly-Vercheres (Mr. Archambault) last night gave the same information that the hon. leader of the Opposition submitted to-night. The insinuation was that this Government had paid out moneys buying goods in Canada and had shipped those goods to Roumania and Greece, that money having been distributed to friends of the Government. I purpose to examine briefly what grounds there are for such a charge. In the first place, the loans to Roumania and Greece were based upon a statute of Parliament, and the Government had absolutely nothing to do with the letting of the contracts. As far as I have been able to check them up—and I have not been able to check all of them—these contracts were let in Paris by representatives of the Roumanian and Grecian governments. All that the Government of Canada did was this: under the instructions of Parliament it set aside $25,000,000, I think it was, and out of that, on the

direction of these two foreign governments, paid the bills.

Now, my hon. friend quoted certain firms that had sold goods, and he said that these firms contained the names of some hon. gentlemen sitting on this side of the House. I am not going over this in detail, but the names of seven firms were cited, and hon. gentlemen here or in the Senate, supporters of the Government, were said to be associated with those firms, the insinuation being that there was something crooked in the letting of those contracts. Why did not my hon. friend also state—and, again, I have only had an opportunity for a few moments to check this up, because my hon. friends opposite have had this return constantly in their control up until this morning—why did he not also say that these firms had associated with them as directors hon. gentlemen supporting the Opposition? There is nothing wrong in that; indeed, I claim that it is perfectly all right. But my point is: why seize upon what is an honourable and proper transaction and seek to fasten it in an improper way upon members on this side of the House? For instance we have Senator Dandurand, a very fine old war horse of the Liberal party, associated as a director with the Steel Company of Canada, which did business with those governments. I am not criticising that for a moment; it is perfectly proper. Then we have also another very excellent supporter of the former Government and the Liberal party, Senator Beique, associated with Canada Cottons, a very large and important firm that got extensive orders, and properly so. But why in the name of fairness and common sense do my hon. friends stand in their place and seek to give the impression to the country that there is some sinister underhand work going on when there is absolutely nothing of the kind? There are 216 firms which are mentioned as having received business from Roumania and Greece, and out of those 216 firms my hon. friend succeeded in finding seven with which hon. gentlemen on this side of the House were more or less directly connected.

Now, in the concluding portion of his remarks the hon. leader of the Opposition made a strong charge of extravagance against the Government. Well, it is the duty of the leader of the Opposition and his party to expose extravagance on the part of the Government if they can do so; it is a fair battle ground, and I have no hesitation in meeting them half way in the matter. I have taken a little trouble to check up the proposed expenditures of the Government and you will be surprised, Mr. Speaker, to hear the result when a comparison is made with the expenditure of the former Liberal Administration. By the way, in making this comparison I am not criticising the Government of the late Right Hon. Sir Wilfrid Laurier at all. I have under my hand the Estimates of 1911 of a government of which my hon. friend the leader of the Opposition was a very prominent and active member, and at a time when the hon. member for Shelburne and Queen's (Mr. Fielding) was custodian of the funds of the country. In that year they brought down an Estimate for expenditures amounting to $138,000,000. I have no criticism of that expenditure; I let it stand as a perfectly honest and fair Estimate. But I ask the House, what is the amount of the Estimates this year, outside of extraordinary expenditures, which I shall deal with in a moment? It is $177,000,000; that is the proposed expenditure on exactly the same account as that for which $138,000,000 was voted ten years ago—a difference of $38,000,000. It is a proper subject of debate whether or not that increase is justifiable, and I propose, Sir, to show it is justifiable. But before going into the matter in detail, let me observe that last year the actual expenditure of this Government—a government charged with extravagance—was $141,000,000 out of consolidated revenue fund, only $2,000,000 more than the last Estimate of the Government of my hon. friend opposite, in 1911. Now, Sir, an examination of these figures reveals certain facts. For instance, the Department of Trade and Commerce shows an expenditure of $2,300,000 more this year than it did in 1911. The increase is accounted for by the transfer of the Statistical Branch from the Department of Agriculture, involving an additional expenditure on the part of the Trade and Commerce Department of $1,800,000; the administration of the Canada Grain Act, $1,175,000; relief to the West in the matter of seed grain, $825,000; protection of timber, $1,000,000; fuel investigation—a most useful effort to improve the development of our natural resources—$200,000. Then there are some other items, but what I wish to impress upon the House is that the increase of expenditure this year over the expenditure of 1911 is more than accounted for by the increase in the cost of materials, wages, and the salaries of the Civil Service, and the general increase coming with a period of

ten years of development on the part of the country. So I submit that my hon. friends have very little ground for complaint against the Government, on that score.

The main attack of my hon. friends opposite has been directed against the Militia and Naval Estimates. Will the House believe me when I say that in 1911 my hon. friends opposite proposed a larger expenditure on naval affairs than we propose this year? It is true that in respect of militia the proposed expenditure this year is somewhat larger, accounted for wholly by increased cost of material and salaries.

Now, we have the question of the increased debt. I will say this to my hon. friend the leader of the Opposition: he has had nothing to do with the increase in the debt during the last seven or eight years; he is fully exonerated in that regard. But what I do wish to say to him and to the House is that the increase of the debt in Canada is attributable wholly to war costs and expenditures. I will not weary the House with figures, but it may be interesting to note in passing that $103,000,000 has been paid off the public debt this year. It is true that the whole debt has slightly increased, but it has been increased by the addition of investments of a paying and interest-bearing character.

I now come to the question of the tariff, about which we have heard a good deal in the last hour. It is rather interesting to note that my hon. friend the leader of the Opposition has at last made a clear-cut statement as to where he stands on the tariff. He says he is out absolutely for a tariff for revenue. It is my purpose to examine very briefly what that means. The hon. gentleman made rather harsh and, I think, unfair statements with regard to the Prime Minister's various utterances in this connection. The Prime Minister has been complaining for the last year or more that my hon. friend would not make a clear-cut statement as to where he stood on the tariff so that we might know on what ground to debate the question with him. He would not move his 1919 platform; he will not move it yet—he positively refuses to move it. He is either ashamed of it or he knows that some political advantage is to be gained in refraining from moving it. I do not see why he should complain about our asking him to move his own platform, but that is what he does. Now, what is my hon. friend's position in this matter? He challenged the Minister of Finance a few moments ago to quote any words of his to show that he had made the remarks at Peterborough attributed to him by the minister. Now, I have under my hand the address which my hon. friend delivered in Peterborough. He was referring to the possibility that at this session, which was then approaching, in the event of the defeat of the Administration he might be called upon to form a government—Peterborough is a manufacturing city; the people there would not stand for free trade, would not stand for the reductions in the tariff mentioned in this pamphlet, "A message of Liberalism"—and my hon. friend knows they would not. This is what he said to the people of Peterborough:

> Should the contingency of which I speak arise, should the Government be defeated, should a Liberal Administration be formed, advantage will not be taken of such a situation to introduce legislation on the tariff.

If I am misquoting my hon. friend he will correct me; this is exactly what he is reported to have said in Peterborough. He goes on to say:

> Nothing will be done in the way of altering or amending the tariff in the smallest particular without reference to the people in the first instance and the submission of the Liberal policy to the electorate at a general election.

Mr. MACKENZIE KING: That is right.

Mr. STEVENS: My hon. friend says that is right. He spent about half an hour in this chamber a little while ago upbraiding the Government for not bringing down a complete revision of the tariff this session.

Mr. MACKENZIE KING: My hon. friend will observe that my remarks related to what I would do, and I was presenting to the people of Canada my plans. I was upbraiding the Government for not bringing down any revision this session because in the speech from the Throne they said that they were going to do so.

Mr. STEVENS: I give my hon. friend credit for that. I was saying, when my hon. friend interrupted me, that he upbraided the Government because they did not bring down a complete revision of the tariff this session. Had the Government done that, he would have been the first on his feet condemning the Government for tampering with the tariff before an election and also before we knew what the United States were going to do. It would be a positively preposterous and asinine thing for any Government to do that, and he knows it. All that my hon. friend is

sorry about is that the Government were not so simple and stupid that they would fall into such a trap. The idea of this Parliament attempting a general revision of our Canadian tariff in the face of a known general revision of the American tariff being under way! It is infinitely better for this country to wait and see what the general tariff of the United States is going to be. It is an absurd thing for any one to suggest that the American tariff does not affect the affairs of this country. It is one of the most important factors in determining the business activities and the direction of the industrial life of Canada. We must take cognizance of the American tariff in the revision of our tariff. Had there been no disturbance of the American tariff; had, for instance, President Wilson been continued in office and his policy continued, we could safely have proceeded with a revision of our tariff. But with the complete turnover in the United States, with a new economic vision before the people of that country, to say that we shoud proceed with a general revision of our tariff, is, in my estimation, arrant nonsense. That is not all that I have to say to my hon. friend. I hope the House will remember what I said a moment ago, that in Peterborough, which is a protectionist city, my hon. friend pledged himself that his party, if they were brought into power, would not touch that sacred institution known as the tariff. In the city of Kamloops, he delivered a speech and he delivered virtually the same speech throughout the West. He made statements of this kind:

Let me tell you what that policy is—

He refers to the policy laid down at the Liberal convention in 1919, and I will read just an extract from his speech so as to put myself in proper order. He says:

Take for instance, the Liberal convention held last year—

That is 1919.

—in Ottawa. This convention was decided upon by Sir Wilfrid Laurier and was called for the purpose of formulating the policy—

That was the main object of that convention.

—which would carry out the principles of Liberalism as believed right by the men and women who attended it.

He goes on:

It was attended by delegates from all parts of Canada. It was a convention which lasted from two to four days. This great gathering drafted and formulated the policy of the Liberal party.

That policy I have here, and again I say to my hon. friend—and I submit that not only am I in order in saying it, but it is a perfectly pertinent request—why does he not move the tariff platform contained in the declaration of Liberalism passed at this convention to which he attaches so much importance? He has not done so, and he will not do so because it contains provisions that, he knows perfectly well, will violate the sentiments and desires of large centres of influence in Eastern Canada, and he knows that the only part of Canada that will be very much appealed to by the tariff proposal in that platform is the middle West. Therefore, he will not put it on record; he will not bind his party to the platform which they drafted in August, 1919. But I was going on to say that this was what my hon. friend said at Kamloops:

Let me tell you what that policy is. We say the time has come in Canada when the tariff should be reduced.

Is that correct?

Mr. MACKENZIE KING: Certainly, that is right.

Mr. STEVENS: Again I ask hon. members to remember that in Peterborough, in October, a few months after this, which was in January or early in February, he pledged himself not to touch that sacred institution of the tariff under any circumstances, while at Kamloops he says "We start on this at once."

Mr. MACKENZIE KING: I do not think my hon. friend wants deliberately to misrepresent the situation. When I was speaking at Kamloops, what I said, as he read it, is absolutely true, that that was the platform; we would do nothing until we were in power, and that meant after a general election. When I was speaking in Peterborough, I was speaking at a by-election and I sought to make it plain that come what might I did not wish to have a revision of the tariff until after a general election.

Mr. STEVENS: I must say to my hon. friend that his explanation at the present moment is a turning of a pretty sharp corner.

Mr. MACKENZIE KING: Not at all. The Minister of Finance said that I was quite right in what I said.

Mr. STEVENS: The hon. member is at issue with me, and I want to give him all opportunity of correcting me if I am wrong, I submit these words to the House and the

House can judge for itself. My particular complaint of my hon. friend is that he goes through my province and the other western provinces telling the people that the platform of 1919 is the platform. But he positively refuses to put his party on record in this House on that platform, and why? The hon. member for Cape Breton North and Victoria (Mr. McKenzie) let the cat out of the bag the other night, if you will permit me, Sir, to use that homely phrase. This is what he said; or he used words to this effect: "Why, the tariff is not an issue; we will not let them make it an issue." Can my hon. friends around me, with their experience in caucuses, imagine all the happy conferences that have been going on between the hon. member for Cape Breton North and Victoria and the hon. member for Brome (Mr. McMaster), for instance? I can imagine the hon. member for Cape Breton North saying with that splendid Scotch stubborness of his, "Noo, Sir, I will not allow that platform to be moved." He would not allow it to be moved, because he knows, that the hon. member for Sherbrooke (Mr. McCrea), the hon. member for North Essex (Mr. Kennedy), the hon. member for North Waterloo (Mr. Euler) and many others would not go on record in this House in support of this resolution, the reciprocity agreement, the revision of the tariff downwards and the putting on the free list of "wheat, wheat flour and all products of wheat; the principal articles of food; farm implements and machinery; farm tractors, mining, flour and saw-mill machinery and repair parts thereof; rough and partly dressed lumber; gasoline, illuminating, lubricating and fuel oils; nets, net twines and fishermen's equipment; cements and fertilizers," and so on. They would not go on record in support of that, and my hon. friend does not dare to test them out on it. Some one mentions 50 per cent preference.

A few moments ago my hon. friend took two documents and he repeated the statement. He took a speech by the Minister of Finance in 1920; he took utterances of hon. gentlemen on this side of the House as expressed in July last, and he wandered through clauses (a), (b), (c), (d), (e) and (f). I shall not read them to the House. He then struck a most tragic attitude; he said that he found that (d) was missing, and he said to his much warmed up associates: "And what do you think this is?" He came out with the startling revelation that we had failed to include in our platform a statement made in the Minister of Finance's speech, "to especially promote and increase the trade with the Mother Country." My hon. friend laid that as the foundation for an innuendo that the Government and its supporters on this side of the House were seeking to lessen the trade with the Mother Country and to interfere with the Imperial connection. Will the House believe me when I tell it that had he turned over the page he would have found that clause set out in heavy leaded type on the other page.

Mr. MACKENZIE KING: No, I would not. I challenge the hon. member to show it.

Mr. STEVENS: Will my hon. friend be patient just for a moment? I repeat that the hon. gentleman laid that as the foundation for a charge that this Government and this party were departing from its ancient tradition of close connection with the Mother Land, and were seeking to interfere with the trade of the Mother Country and the Imperial connection. That is a charge that touches a pretty tender spot in hon. gentlemen on this side, and they will not tolerate my hon. friend or anybody else getting away with a charge or insinuation of that kind. It was a bare insinuation and nothing more. I am going to read the two clauses in this platform. At the very commencement we find this, and it is the foundation of the platform upon which the party on this side of the House stands:

Firm adherence to British connection in full confidence that Canada will find its amplest scope for development, usefulness and influence as a member of the Britannic commonwealth with the status of a self-governing nation equal to that of the other members.

That alone would have been sufficient to convince my hon. friend that there was nothing wrong; but this is what I complain of. I do not like to characterize his effort as dishonest but I will tell the House that I cannot characterize it as a genuine effort to do what was fair. Here is the other clause in the platform, set out in leaded type.

The principle of trade preference between the different members of the Britannic commonwealth should be maintained and extended from time to time to such a degree as may be found practicable and consistent with Canadian interests.

Mr. MACKENZIE KING: Will my hon. friend allow me a question?

Mr. STEVENS: My hon. friend may ask a question, but not make an argument.

Mr. MACKENZIE KING: Is not what the hon. member has just read a part also of the speech of the Minister of Finance which was delivered at the time I have spoken? It is, verbatim et literatim; but the other clause is gone.

Mr. STEVENS: Mr. Speaker, is it not clear to any one with the slightest desire for fairness in debate from the two clauses I have read that we stand exactly where we have always stood on this question of trade with the Mother Land? But that is not all. We bring something more than empty words. We bring forward to the House the agreement and treaty with the West Indies, which was ratified in this House within the past two weeks, extending this very principle. The members of the Government spent weeks and weeks last summer with the delegates from the West Indies studying out the many ramifications and the intricate clauses of this agreement and treaty, which was ratified this year. Yet my hon. friend has the audacity to insinuate in this House that we are not playing the game with the Imperial connection.

Oh, hon. gentlemen opposite say to us, the conditions in Canada to-day are due to the fact that you rejected reciprocity; had you not rejected reciprocity, we would have had prosperity in this country to-day. That has been the attitude adopted by the hon. gentlemen opposite. Now my hon. friend the leader of the Opposition in nearly all his speeches in different parts of this country has used a phrase something like this, that the people should govern.

Mr. LEMIEUX: Hear, hear.

Mr. STEVENS: Well, I ask him who rejected the reciprocity agreement that my hon. friend from Shelburne and Queen's (Mr. Fielding) and the late Mr. William Paterson framed at Washington, and brought humbly back to this Parliament in 1911, and which was before this Parliament and debated throughout the length and breadth of this country for months. Parliament then adjourned, the Prime Minister going to the Old Country. On coming back, he re-asssembled Parliament, and finding that he could not pass part of the reciprocity agreement he appealed to the people on the one sole issue of reciprocity, and the people rejected reciprocity by an overwhelming vote. My hon. friend the leader of the Opposition says that we ought to appeal to the people. Now if there is one thing upon which we have a clear-cut mandate from the people, it is that we must not tamper with the proposed reciprocity agreement.

My hon. friend the leader of the Opposition says: Let us have a tariff for revenue only. I have noted repeatedly, Mr. Speaker, in debates in this House that when an hon. gentleman puts forward an opinion or a definition some hon. gentlemen question it; they brush it aside, by turning a sharp corner, or in some way or other. So I decided some time ago to hunt up a definition of "tariff" from an authority they would accept, and I happen to have it now in my hand. I have taken this definition from the Encyclopaedia Britannica, and I do not think anybody will accuse me of being a partisan in doing that. I invite my hon. friend, who to-night for the first time since he has been leader of the party opposite has taken a stand on this issue, and who says, we stand for a tariff for revenue only, to listen to this definition of "tariff":

> Resort is made to tariffs, or import duties, partly to secure revenue, partly to affect the course of industry within a country. Strictly speaking, these two objects are inconsistent with each other; since a customs duty, in so far as it causes a domestic industry rather than a foreign industry to supply the market, ceases to be a source of revenue—

This will suit the hon. member for Red Deer (Mr. Clark) very well.

> —but in a great number of cases the imposition of a duty causes only a partial displacement of the foreign supply, and hence brings some revenue from that which remains. This circumstance strengthens the hold of the protective system especially in countries where customs revenues are important sources of revenue, the combination of fiscal conveniences and of protection to home industry being a highly attractive one.
>
> Where tariff duties are imposed solely for revenue, an equivalent excise tax is imposed within the country, so as to put the domestic producer precisely on the footing of his foreign competitors; and tariffs so maintained are in complete conformity with the principles of free trade.

The reason I read this definition is for the purpose of showing to you, Mr. Speaker, and to the House that we on this side stand for a tariff which has for its underlying basic principle the protection of home industries. We hold that that protection should extend only so far as is necessary to maintain those industries in Canada. That is where we stand. My hon. friends say they want a tariff for revenue only. Now I will tell the House, and I submit that this cannot be gainsaid, what a tariff for revenue really is. My hon. friends angularily opposite, as they are termed, have that policy in their platform, and it is this: where you have a tariff for revenue

only, you put on a moderate duty, but you put on precisely the same excise duty on the same goods manufactured within the country. If my hon. friends start on the policy of a tariff for revenue only, it will work in this way, and in this way only, if they accept the term that is accepted everywhere by all economists. Suppose they put a 30 per cent tariff on woollen goods. They must then put a 30 per cent excise tariff on woollen goods manufactured in Canada. Suppose they put $2 a ton on steel. Then they must pay $2 a ton excise on steel manufactured within Canada. So that virtually it wipes out all protection. As a matter of fact, the Prime Minister (Mr. Meighen) has been absolutely correct when he has stated time and time again that there are only two forms of tariff, one based upon the free trade principle, and the other upon the protective principle; and there is no other plane on which it can stand. It is true, according to the Encyclopaedia Britannica, that very often the two are in practice more or less merged, that is to say, they are designed for the purpose of raising revenue; and that is exactly where we stand on the principle of protection.

My hon. friend from Shelburne and Queen's (Mr. Fielding), made a rather interesting statement the other day in his speech, which was supposed to be the official declaration of the Opposition. He said, in effect: "I have no use for protection at all and I never had. Not only that, but I emphasize the fact more than ever to-day that I have no use for protection; and if I had to choose between the two, I would choose a tariff based on free trade principles." That is what my hon. friend said, and he does not contradict my quotation. But he goes further than that, and this is where we get some interpretation of the policy of my hon. friends opposite. He says: "If any industry comes here hoping to become established by reason of an import duty, or protection, my advice to them is not to come, but to stay out." That is what he says. So that we have my hon. friend the leader of the Opposition (Mr. Mackenzie King), standing on a revenue tariff and calling for an equal excise duty on every item that is represented in that tariff, and my hon. friend from Shelburne and Queen's declaring officially, on behalf of the Opposition, that he stands for a tariff based on the free trade principle. This is the nearest approach to a clear-cut declaration which we have had from hon. gentlemen opposite.

[Mr. Stevens.]

Now, I desire to turn my attention for a few moments to my hon. friend from Marquette (Mr. Crerar), who, I observe, has left the chamber. I should be glad if he were present, because I have a few things to say unto him. I advised my hon. friend this afternoon that I intended to make certain references to himself, and as I did not wish him to think that I wanted in any way to take advantage of any temporary absence of his, I gave him that notice of what I proposed to do.

An hon. MEMBER: He did not want to hear it.

Mr. STEVENS: I would rather have him present when I make these remarks, and as he is not here, I will withhold some of them until he returns. In the meantime, I shall proceed with other remarks in reference to the hon. gentleman. My hon. friend, in connection with his tariff position, makes the statement that the Prime Minister had taunted them with not moving their platform.

Some hon. MEMBERS: Here he is.

Some hon. MEMBERS: Hear, hear.

Some hon. MEMBERS: Go to it.

Mr. STEVENS: I am pleased to note that my hon. friend from Marquette has returned to the chamber. Now, Mr. Speaker, this Parliament, since its birth, has followed all the traditional practices of the Mother of Parliaments in Great Britain, one of the most cherished principles of which is that of honour among the members. Members are allowed privileges based exclusively upon a sense of honour, and I think we cherish that tradition. At any rate, so far as my knowledge goes—and for twelve sessions I
10 p.m. have been a member of the House—these privileges enjoyed by hon. members have been very highly valued and very jealously safeguarded. My hon. friend, the other day, Sir, made what I think was perhaps the best speech he has delivered since he has been in this House, —save for two qualifications. My first qualification of that statement—and I shall deal with it at a later stage—is that the hon. member's arguments were based upon what I, at least, content to be a false premise. That, of course, is no reflection on him; he has a right to his views. The other qualification is in the fact that he made a charge which I think was unworthy of the hon. gentleman. Now, I am going to deal with the latter first, and then, with the indulgence of the House, I shall deal with

the hon. gentleman's arguments on economic matters. I shall refer to my hon. friend's charge that the candidate of the Government in York-Sunbury had been appealing to the prejudices of the people in that constituency in a very base manner, and I shall read what Hansard reports as the statements made by my hon. friend and then I will read what my hon. friend exactly did say. After that, I purpose reading certain things to illustrate the effect of his unfortunate and exceedingly unfair, uncalled for, and baseless charge. I trust the House will be patient with me, because I consider this a matter of importance which should not pass without serious consideration and note. My hon. friend is reported in Hansard as having said:

On what platform is his candidate running in York-Sunbury at the present time?

Mr. LEMIEUX: I rise to a point of order. I do not wish to interfere with my hon. friend, and I take no exception to his reading from the Debates, but I should like to have the ruling of the Chair. Yesterday my hon. friend from Middlesex (Mr. Ross) was attempting to quote from Hansard, but was prevented by the Chair. I do not believe that the ruling given last night is very wise, because it is almost impossible to discuss a question intelligently if an hon. member is not to refer to what other hon. members have said during a debate of this importance.

Sir GEORGE FOSTER: The ruling had reference to a former debate.

Mr. LEMIEUX: I do not wish to prevent my hon. friend from reading from the Debates, but I want the ruling of the Chair to apply to both sides.

Mr. STEVENS: Before the Speaker gives his ruling, I should like to say a word to the point of order. My hon. friend is apparently not cognizant of the rule, which, if I mistake not, is that an hon. member may not refer to a previous debate in the same session; but he is privileged to refer to any previous speech in the same debate in which he is participating.

The ACTING SPEAKER (Mr. Steele): The point of order raised by the hon. member for Maisonneuve (Mr. Lemieux) is not well taken. Bourinot, at page 357, says:

Neither can an hon. member, in speaking, refer to anything said or done in a previous debate during the same session.

It will be seen that the authority here laid down does not preclude an hon. member from quoting from the same debate in which he is speaking.

Mr. STEVENS: To continue:

Does the tariff take a leading place in the discussion? Not according to the best information I get. My right hon. friend's candidate is running on a new—no, I will not say an altogether new, platform; it is an old platform of some of my hon. friends opposite. His candidate is saying privately to the Protestants of the constituency: I do not want any Catholic support; are you going to vote for the man whom the Catholics are voting for?

Some hon. Members: Shame.

Mr. Meighen: The hon. gentleman has made a very serious assertion. He will be good enough to support that assertion by quotation.

Mr. Crerar: I have no doubt that my right hon. friend can get witnesses to prove it.

Mr. Meighen: I never heard it.

Mr. Crerar: I accept at once my right hon. friend's statement; but I am stating what his candidate is saying down in York-Sunbury. And did not my right hon. friend within the past eight months, through his agents, approach the Catholic Minister of Public Works in New Brunswick with a view to having him come into his Government? Did he get that inspiration from my hon. friend from Frontenac (Mr. Edwards?

Mr. Meighen: Will the hon. gentleman repeat that statement, please? I did not quite catch it.

Mr. Crerar: Yes, I will repeat the statement did not my right hon. friend or some one representing him approach—

Some hon. members interrupted at this point and one hon. member said:

Somebody told somebody else.

Some hon. Members: Order.

Mr. Crerar: Did not my right hon. friend or some of the members of his Government—I will put it that definitely—approach the Minister of Public Works in New Brunswick with a view of having him come into the Administration?

Mr. Meighen: I want to state that that is absolutely false so far as I am concerned or so far as any one is concerned acting upon my authority.

Mr. Crerar: I at once, Mr. Speaker, again take my right hon. friend's word for it.

Mr. Meighen: I may tell my hon. friend as well that his previous assertion is denied categorically by the candidate and by every one in the county from whom I have heard.

Now that is the report that appears in Hansard. That report has been changed, that is not what my hon. friend said. My hon. friend in that report is represented as asking the Prime Minister a question. He has also changed—or the words have also been changed—as regards the time—; the two months is changed into eight months. Now I am going to read to the House exactly what my hon. friend did say and then I shall make a few comments:

Mr. Crerar: On what platform is my right hon. friend's candidate running in York-Sunbury at the present time? Does the tariff take a high

place in the discussion? Not according to the best information I can get. My right hon. friend's candidate is running on a new—no I shall not say a new, platform; it is an old platform of my hon. friends opposite. His candidate in York-Sunbury is saying to the Protestants of the constituency: I do not want any Catholic support; are you going to vote for the man whom the Catholics are voting for? That is the position.

Then there is the part about interruptions and so on. I quote again:

Mr. Meighen: The hon. gentleman has made a very serious assertion. He will be good enough to support that assertion by quotation.

Then the hon. gentleman (Mr. Crerar) goes on:

I have no doubt that my right hon. friend can get a score of witnesses to prove it.

Mr. Meighen: I never heard of it.

Mr. Crerar: My right hon. friend, perhaps, has not heard it, but I am stating what his candidate is saying down in York-Sunbury.

Then he goes on to the other reference which I shall read later. What I wish to say to my hon. friend is this: He entered into a matter of controversy with the Prime Minister. The Prime Minister gave a categorical denial to the statement. It was in the form of a direct charge against the Government. My hon. friend corrected his speech in the Hansard room, and on Hansard it appears changed in substance from what appears in the transcript of the notes of the reporter. I shall read the second part which, in my estimation, is worse a great deal than the first.

An hon. MEMBER: Who changed it?

Mr. STEVENS: The speech was corrected by the hon. member for Marquette himself.

Some hon. MEMBERS: Oh, oh.

Mr. STEVENS (reading):

Within the past two months—

Now, I want hon. members to follow me—

Within the past two months my right hon. friend, through his agents, also approached the Catholic Minister of Public Works in New Brunswick with a view to having him come into his Government.

A positive statement.

Did he get that inspiration from my hon. friend from Frontenac (Mr. Edwards)?

Mr. Meighen: Will the hon. gentleman repeat that statement, please? I did not quite catch it.

Mr. Crerar: Yes, I will repeat the statement: that my right hon. friend or someone representing him approached—

Then there was some interruption and he goes on again:

My right hon. friend, or some of the members of his Government—I will put it that definitely—approached the Minister of Public Works in New Brunswick with a view of having him come into the Administration.

Now on Hansard it appears as an innocent little question which makes the Prime Minister's denial somewhat absurd. But it was a positive statement by my hon. friend on his responsibility as a member of this House that the Prime Minister had approached this individual in New Brunswick. The Prime Minister gave a categorical and positive denial to it:

Mr. Meighen: I want to state that that is absolutely false so far as I am concerned or so far as anyone is concerned acting upon my authority.

Mr. Crerar: I must at once, Mr. Speaker, take my right hon. friend's word for it.

Mr. Meighen: I may tell my hon. friend as well that his previous assertion is denied categorically by the candidate and by everyone in the county from whom I have heard.

This is not a small thing. It is a very serious thing for any hon. gentleman to take advantage of the confidence placed in him in allowing him to make any slight correction or changes in his speech, other than grammatical errors, which I am sure would be highly appreciated by the hon. member for Maple Creek (Mr. Maharg).

Some hon. MEMBERS: Shame.

Mr. STEVENS: I say—

Some hon. MEMBERS: Shame.

Mr. STEVENS: I say—

An hon. MEMBER: Take it back.

Some hon. MEMBERS: Shame.

Mr. STEVENS: I say, Mr. Speaker, it is a very serious matter for any hon. gentleman to change the substance of his speech, especially on a matter that is in controversy. Now I have a wire the Prime Minister sent to Mr. Hanson—

Mr. CRERAR: If my hon. friend will permit me. He has made a rather serious reflection on me and one that is not at all warranted by the facts. There was considerable uproar in the chamber here when I was addressing those particular remarks to the House. I submit to you, Sir, and to the House, that I have not changed in substance at all the statement I made.

Some hon. MEMBERS: Hear, hear.

Mr. STEVENS: Mr. Speaker, I am prepared on my responsibility as a member of this House to make the statement that what I read as being what my hon. friend said is exactly what was transcribed from the notes of the reporter; and I make this

further statement that my hon. friend corrected his speech. I make the further statement that the speech as it appears in Hansard is not, in substance, in accordance with that my hon. friend said.

Some hon. MEMBERS: Order.

Mr. STEVENS: Now I have just one further statement to make—

Some hon. MEMBERS: Order.

Mr. STEVENS: I was just going to say this—

Some hon. MEMBERS: Order.

Mr. STEVENS: The change in the substance to which I refer—and my hon. friend will desire to have this—

Some hon. MEMBERS: Order.

Mr. STEVENS: Mr. Speaker, I was completing the sentence: The change in the substance to which I have referred is—

Mr. THOMSON (Qu'Appelle): I rise to a point of order.

Mr. STEVENS: I am simply making—

Some hon. MEMBERS: Sit down.

Mr. THOMSON (Qu'Appelle): My hon. friend is bound to accept the statement of an hon. member as to what he said.

Some hon. MEMBERS: Order.

Some hon. MEMBERS: Sit down.

The ACTING SPEAKER (Mr. Steele): The hon. gentleman must accept the statement of another hon. member.

Some hon. MEMBERS: Hear, hear.

Some hon. MEMBERS: Take it back.

Mr. STEVENS: If my hon. friends will wait a moment until I complete the sentence—

Some hon. MEMBERS: No, no.

Mr. STEVENS: I made the statement, Mr. Speaker, that the speech was changed in substance to this extent—and this is what I want my hon. friend to catch—that he changed what was a statement into a question.

Some hon. MEMBERS: Order.

Mr. STEVENS: I am perfectly in order.

Some hon. MEMBERS: No, no.

Mr. STEVENS: That he changed what was in the form of a definite statement, which I have read, into the form of a question. Now, my hon. friend may take the ground that that is not a change in substance. I have the opinion that it is, and what I wish to say is this, that in so far as it was a matter of controversy between the hon. gentleman and the right hon. Prime Minister no change should have been made whatever, and no hon. gentleman has a right to make such a change.

Mr. CRERAR: Will my hon. friend permit me? At the time I was speaking there was such an uproar in the House—

Some hon. MEMBERS: Oh, oh.

Mr. CRERAR: I submit to you, Mr. Speaker, and I submit to this House that I made no change in substance in the correction of the report of my speech. In the taking down of the notes the reporter, probably due to the disturbance in the House—

Some hon. MEMBERS: Oh, oh.

Mr. CRERAR:—did not get the exact words I stated.

Some hon. MEMBERS: Order.

Mr. CRERAR: Mr. Speaker, I am not prepared to take the jibes of my hon. friends opposite. They can take their medicine once in a while surely.

Some hon. MEMBERS: Hear, hear.

Mr. CRERAR: I have stated that I made no change, and I think my reputation in this House is well enough known for my hon. friend to be aware that I do not do that sort of thing.

An hon. MEMBER: Got him on the hip.

Mr. CAHILL: Who has got it on the hip?

Mr. STEVENS: Mr. Speaker, I am prepared to submit to the regular procedure of this House. My hon. friend states that he did not make any changes in his speech? Am I right?

Mr. McMASTER: In substance.

Mr. CRERAR: I say this, Mr. Speaker, that I made no change whatever in substance in my speech.

Mr. STEVENS: Will my hon. friend—

Mr. CRERAR: Mr. Speaker, if my hon. friend will permit me?

Mr. STEVENS: I will send him over the copy, and if he will say he made no corrections I will take his word for it. That is fair.

Mr. CRERAR: Mr. Speaker—

Some hon. MEMBERS: Who has the floor?

Mr. CRERAR: Mr. Speaker, what my hon. friend has sent over to me is not a transcript of the reporter's notes at all, but is something that his typist has prepared for him. Perhaps my hon. friend will permit me to say one word further? I did make some changes in my speech—changes that are ordinarily made by members in their speeches—and to the best of my judgment I put my remarks in the words in which I expressed them. There was such a hubbub in the House at the time I was speaking that the reporter did not put in the form of a question what I had stated in that form.

Mr. STEVENS: Perhaps the hon. gentleman will send back the notes that he refuses to look over? I am simply stating the fact, that this is an exact copy of the original transcript of the notes, with the changes marked thereon. My hon. friend says that he did not make those changes. I am bound to accept his word. But I must say, Mr. Speaker, that whoever did make those changes was indeed trespassing very seriously upon the customs and the high privileges of this House.

Let me give my hon. friend very briefly some of the results of the seeds of dissension that he sowed. Let him remember that the Prime Minister categorically denied those statements. The hon. member gave them to the House, based upon a foundationless rumour which he seized with avidity and dragged into this debate, and already the result is the sowing of racial and religious prejudice throughout the country. The hon. member for St. James (Mr. Rinfret) who is associated with Le Canada will find on the front page of his paper this article—but before I quote it I would appeal to such hon. gentlemen from the province of Quebec as the hon. member for Quebec East (Mr. Lapointe), the hon. member for Maisonneuve (Mr. Lemieux), the hon. member for Beauce (Mr. Béland)—if he were in his seat, the hon. member for Bonaventure (Mr. Marcil)—hon. gentlemen who have been in this House for many years, and I would ask them if they have ever known me during my twelve years as a member to utter one single sentence derogatory of the Province of Quebec? They never have. I appreciate the high stand they take usually. But what I deplore is this report, based upon the statement of a leader of a political group, which is sent broadcast throughout the province of Quebec, and can only result in perpetuating the lack of understanding between the two races. This is the article in Le Canada of May 18, 1921:

A Good Subject for Meditation by the Electors of Yamaska

What will the electors of Yamaska think when they learn that the candidate of Mr. Meighen in York-Sunbury has declared on all his platforms that he refuses the support of the Catholic electorate. Can it be that Dr. J. W. Edwards, member for Frontenac, has inspired Mr. Meighen's candidate?

The Honourable Mr. Crerar practically stated in his speech on the Budget yesterday that Mr. Meighen's candidate is fighting his election in York-Sunbury upon the backs of the Catholics.

From a despatch of the Canadian Press we extract the following statements of Hon. Mr. Crerar in the Chamber yesterday:

And this is the extract:

In York-Sunbury, declared Mr. Crerar, the candidate of my hon. friend, Mr. Meighen, stated to the Protestants of the county: "I do not wish the support of Catholics. Are you going to vote for the man whom the Catholics are voting for?"

Then it completes the extract from the hon. member's speech. My hon. friend comes from the broad West where we have no religious distinctions, and yet seizing upon an idle and false rumour he brings it into the debate and by hurling it across the floor at the Prime Minister, succeeds in getting it into Yamaska, where it is calculated to defeat the Government's candidate. Moreover, it is a reflection upon an honourable citizen, Mr. Hanson. The Prime Minister wired to Mr. Hanson:

Mr. Crerar stated in Parliament yesterday that you were saying privately to the Protestants of the constituency that you did not want any Caholic support and asking them if they were going to vote for a man for whom the Catholics are voting. Please wire me the facts as to this.

To this Mr. Hanson replied:

Statements made by Mr. Crerar as to my attitude towards Catholic vote are entirely without foundation in fact. Would esteem it great favour if you would give my absolute and unqualified denial to same.

Now, let me tell the hon. gentleman just exactly how Mr. Hanson has treated his candidate. On platform after platform Mr. Hanson has stated that he had known his opponent for eighteen years and considers him one of the most honourable men in the province. Mr. Hanson has eulogized the hon. gentleman's candidate, and this is the treatment we get in return. As I said a moment ago, this is an attempt to stir up, for the advantage of his own candidate in another county, racial and re-

ligious prejudice at the expense of an honourable and respected private citizen.

Now, let me turn to the tariff question. My hon. friend made certain statements in the House the other day to which I wish to refer briefly. For instance, in denouncing the protective principle in the tariff he said that from 1881 to 1917 the number of agricultural implement factories was reduced from 234 to 90; boot and shoe factories from 4,000 to 185 and woollen factories from 1,994 to 80; and on these figures he based an argument that protection was destroying industry. Let me give to the House briefly some figures in this regard—and this will indicate the unsoundness of the economic arguments of my hon. friend. He poses as an economist, as a super-business man; I am going to show the House and show him that some of his economic arguments have mighty little foundation in fact. In the first place, he quoted from the census book, and what do you think he did? He gave as the figures in respect to woollen factories, the figures which come under the head "Tailors and Tailoring," the number of such institutions in 1881 being given as 1,994. What are the facts? Let us see what the output of these industries has been; that is the real test of the progress of an industry. In 1880 the value of the products of the agricultural implement industry in Canada was $4,400,000; in 1890, it was $9,597,000; in 1919 it was $37,700,000. Let us take woollen goods: in 1880 the value of the output was $8,100,000; in 1900, $7,000,000; in 1919, $27,000,000. That is the extent of the increase which took place under the system of protection. Where, then is my hon. friend's argument? He contends that because there were 1,994 tailor shops in Canada in 1881 and the number of woollen mills is what it is to-day, the whole industry has been going to the bow-wows.

What did the hon. gentleman quote in respect to the boot and shoe industry? Every cobbler shop in Canada. In the figures he gave from the census report he included three boot and shoe factories as operating in Caribou in 1880! In the census report the figures are given covering all the shoemakers and shoe repairers in Canada, numbering about 4,000. Now here are some of the facts. In 1880 there was capital invested in the boot and shoe industry in Canada amounting to over $6,400,000; in 1900, $11,000,000; in 1918, $33,000,000. The value of the product was as follows: in 1880, $17,000,000; in 1900, $18,000,000; in 1918, $46,000,000. These are the figures that count. The hon. gentleman sought to base an argument yesterday on the number of boot and shoe factories and stores in 1881 compared with the number to-day and to show that this industry was vanishing under the protective system. I need not go into any further detail on that score.

The hon. gentleman makes an indictment of the agricultural implement industry of Canada, and what is his indictment? It is that they sell cheaper abroad—a contention which is repeated and reiterated time after time and year after year in this House—and that they will not sell their products to the United Grain Growers. I assume that if I can refute my hon. friend's arguments on these two points, his condemnation of the agricultural implement industry is proved to be without foundation. In regard to the first point, I have under my hand a statement signed by the Massey-Harris Company giving the figures with regard to the selling prices of binders, mowers and hay rakes in various countries last year. This document was secured by me some months ago for the purpose of looking into the charge that had been made. Now, these are the figures for 1920, in respect to an 8-foot binder, delivered: Ontario, $286; Regina, $309; Great Britain, $408, on current exchange; Australia, $528; Argentina, $513. Now, let us take the prices for mowers: Ontario, $100; Regina, $105; Great Britain, $166.85; Australia, $170.40; Argentina, $217—the Argentina figures are for payment in gold. Then, these are the prices for a 10-foot dump-rake: Ontario, $58; Regina, $65; Great Britain, $84.55; Australia, $92.40; Argentina, $132. These figures are accurate in every detail, and the Massey-Harris Company make a declaration that they have never under any occasion sold for export at a lower price than that at which they sold in the home market. In the face of these statements, which can be verified at any time, why do my hon. friends persist in maligning and slandering the Canadian agricultural implement industry?

Mr. CLARK (Red Deer): May I ask my hon. friend a question? He will see that I am seeking the light. Does he mean to indicate his opinion to this House that protected industries in any given country do not sell cheaper abroad?

Mr. STEVENS: I am making no hypothetical declarations at all. I am giving the exact facts.

Mr. CLARK (Red Deer): Will my hon. friend answer that question?

Mr. STEVENS: I am prepared to debate at any time—I would do it now were the occasion opportune—the question of free trade with my hon. friend.

Mr. CLARK (Red Deer): I would ask my hon. friend another question. What does he mean by dumping?

Mr. STEVENS: What do I mean by dumping?

Mr. CLARK (Red Deer): Is not that selling cheaper abroad?

Mr. STEVENS: This is what we mean by dumping; I will give my hon. friend a concrete example.

Mr. CLARK (Red Deer): Selling cheaper abroad.

Mr. STEVENS: Will my hon. friend be patient and let me answer his question? My hon. friend does not want an answer; he does not like to be answered. So far as dumping is concerned, this is the fact: as regards Canada, it chiefly affects United States and Canadian trade. In the United States they have immense factories with a tremendous market and with a highly organized business; in Canada we have a small market and not such a highly organized business. The large American concern will, for the sake of breaking the Canadian market and breaking the Canadian industry, sell goods in Canada at a loss. That is what is meant by dumping; they have done it and did do it until my hon. friend from Shelburne and Queen's introduced an anti-dumping law—and they would do it again if my hon. friends came into office and carried out their platform.

My hon. friend has caused me to digress a little from the point with which I was dealing. The second charge made by the hon. member for Marquette against the agricultural implement manufacturers is that they will not sell to the United Grain Growers. The United Grain Growers are a large institution; they sold last year about $6,000,000 worth of goods of various kinds, which I intend to deal with in a moment. It has been stated during this debate that the Canadian implement manufacturers will not sell agricultural implements to the Grain Growers. Well, the Massey-Harris Company—and the same applies to many of the other agricultural implement manufacturers—for a period of sixty years have been building up an organization consisting of repair stations, distribution depots, salesmen, experts to set up binders and other machinery. All over the country from the Atlantic to the Pacific, particularly on the prairies, large warehouses have been built, clerical staffs established and a distribution system put into effect, and they have taken a very great pride in the service they render. My hon. friend's company went to that concern and to others, and said to them: We will buy from you if you will sell to us direct from your factory. In other words, they said: If you will put your whole distributing organization out of business we will buy from you—because that would inevitably follow. My hon. friend shakes his head. Does he mean to tell me that that is not the result? Does he mean to tell me that if the Massey-Harris Company sold their machinery to him in all the places where he and his company have storehouses and depots the depots of the Massey-Harris Company would not have to go out of business? Not only would they go out of business, but my hon. friend would not commit himself to handle only Massey-Harris goods; he would handle any goods, and that is his right. Then, where would the Massey-Harris interests go? Who would look after them? This would absolutely ruin their whole system.

I have another thing to say to my hon. friend and to his secretary, Mr. Rice Jones. When he was examined under oath here in 1919, Mr. Rice Jones said: "We handle no binders." "Why do you not handle binders?" They may now, but they did not then. He replied, "Because if we handle binders, we have to keep a man to go out and set them up, because the average farmer does not know how to do that." He would not handle binders because he would have to give service with the sale of the binders. They ask the Massey Harris Company to maintain a great service system, thousands of men throughout Canada selling their binders; but they ask that company to allow them to purchase all other classes of machinery from the factory in Toronto. A more unfair proposition could not be imagined, and my hon. friend has no right whatever to hurl at the manufacturers the statement that they refused to sell to him, because they have never refused to sell to him on reasonable terms.

My hon. friend has another complaint. Not he, perhaps, but many of his party, time after time in this House some years ago, in most doleful tones inveighed against the great lumber combines in the West. How often have we heard them talk about lumber combines. What did they do?

The United Grain Growers' Grain Company, one of the largest institutions in Canada, undertook to set up a saw-mill of their own; they bought a timber limit and they set up a saw-mill, the whole investment, according to my hon. friend, being $850,000. I have under my hand the annual report for 1920 of the United Grain Growers, Limited, and I find that they report for last year a loss of $97,000 on operations, without any charge for capital. With a capital of $850,000, you have an additional charge of 8 per cent or, say $68,000, making a total loss of $165,000. Yet these are the gentlemen who want to run the country. I notice one of the hon. gentlemen angularly opposite laughed in a rather sarcastic manner when I made this statement. Perhaps he will laugh when I read the words in the address of his president at the annual meeting of the United Grain Growers. Who is his president? The address of the president in this little booklet is signed, "T. A. Crerar, president." This is what he says. These are not my words; these are the words given to the shareholders at the annual meeting in December last:

At the end of December, a year ago the operations—

He was dealing with the United Grain Growers Sawmills, Ltd.

—showed a loss of slighly over $97,000, this including several large items written off the books entirely—

I want hon. gentlemen to listen to this.

—particularly an expenditure of $14,000 incured in building a logging railway, which a change in the plan of operation rendered largely useless.

Would we not have a glorious howl in this House if hon. gentlemen opposite found that the Government had spent $14,000 on a railway which they afterwards found was useless? My hon. friend goes on to say that the investment is $850,000, and proceeds:

It may be recalled that when this enterprise was undertaken it was with a view of getting into a position to ship carlots of lumber direct to farmers and farmers' associations, reducing thereby the expense of the middleman.

How they keep harping on the middleman! I want the House to follow this and see how they worked this out in practice without the middleman.

It may as well be admitted that this method of operation offers very little promise of success, and your Board is now inclined to the view that it will be necessary for the company to establish a number of retail yards at suitable points where sufficient promise of success offers.

The eternal cry from that corner of the chamber for the last two years has been: "Do away with the middleman." They come down with a loss of about $100,000 on the operation of their saw-mill, and they say: "We have come to the conclusion that we must put in the retail yard or the middleman." It was the fact that private dealers were able to undersell them. Let us see what Mr. Rice Jones says in his report as general manager. This is what he says:

Our Lumber and Builders' Supplies Department have been completely reorganised. With the dropping off in the demand for lumber, it was found impossible to maintain the service which was being given by this department in preparing plans and specifications without incurring a heavy loss. Consequently, the lumber department has been linked up with the supply department and a minimum staff only retained.

And so on. But that is not all. Not only have my hon. friends opposite failed in the transaction, but they show a loss in this statement of $52,000 in 1920 on a turnover of sales of farm machinery and supplies of $6,900,000. The year before they showed a loss of $59,000. It is no wonder that hon. gentlemen will be asking: "Where do they get the money? If they lose on the main transactions in this way, how do they carry on?" I told the House in 1919 how they carried on. They carry on out of the money they get in overages in their elevators. What are these overages? In a book called "Deep Furrows"—and I commend it to any hon. member who wishes to get an inside view of the institution,—this picture is given. It pictures two big bronzed men riding to an elevator with loads of wheat and one man meets the other man. These two men start to talk about the iniquity of the elevator companies. These men were Mr. Motherwell and Mr. Crerar and there started the birth of this great movement. The birth of the movement was to stop the iniquitous dockage by the elevator companies in the Prairie Provinces. They got into the game; they got large subscriptions; they worked up class sentiment as they are doing today. With what result? First they leased an elevator for, I think, $85,000 a year, and out of that elevator year after year they are taking fees amounting to about 13 per cent on the capital. They get the screenings; but over and above that, they have been getting from dockages of farmers' wheat hundreds of thousands of dollars annually, out of dockages, which I claimed two years ago, were absolutely illegal not only for them but for others. I showed from a report of the Price Waterhouse Company that they were not only

illegal but immoral from the standpoint of business morals and ethics. Out of dockages they got $15,000,000, taken from the pockets of the farmers of the Prairie Provinces over a space of a few years. I put on the Order Paper a resolution asking that this $15,000,000 be paid into the general exchequer of the country by the elevator companies. What did my hon. friends opposite do? Supported by the hon. member for Marquette (Mr. Crerar) and other gentlemen, they induced the hon. senior member for Halifax (Mr. Maclean) who was then Acting Minister of Trade and Commerce, to amend the Grain Act to cover up this nefarious business. Instead of standing by their declared policy of protecting the farmer against dockage, they perpetuated the system; they made it law, so that I think I am not mistaken that last year or the year before they took something like $300,000 in dockages. This is the way in which they make up their loss. One year they had a loss of some $80,000 on the Grain Growers' Guide. This was paid out of the farmer's pocket in dockages. "Oh," but they will say—my hon. friend from Mackenzie (Mr. Reid) in one case said it—"they are all members of the society." They are nothing of the kind. They buy grain from every farmer they can buy it from, and there are only 45,000 members in the three Prairie Provinces, if I am not mistaken. They buy grain from whoever will sell it to them, and that grain is docked at these elevators, including the Grain Growers' elevators, and illegal profits are made by the elevator companies at the expense of the grain growers of the prairies. That is the way they cover up losses made in operations on legitimate business. These are the hon. gentlemen who are asking this country to put them on the treasury benches and into power so that they can carry on the affairs of this country.

Mr. CRERAR: Is it not a fact that the Government Terminal Elevator at the head of the lakes had had greater overages than any other terminal elevator at that point? If that is true, has not this Government been defrauding the western farmers?

Mr. STEVENS: Because my hon. friend had an amendment made a year or so ago legalizing ¼ of 1 per cent dockage. I told this House plainly in 1919 that I considered this whole business of dockage was nothing more or less than stealing from the farmers of the prairie, and I hold the same view to-day. I hold further that this House was not well advised when it put through that amendment at the request of my hon. friend the leader of the Agrarian party and his supporters in the House. It is a complete reversal of their policy, an absolute abandonment of their principles, and all the purpose it serves is to cover up losses in other branches of the company's operations. If that privilege of deducting dockage from the farmers were taken away, the whole institution would fall like a pack of cards. I have detained the House much longer than I have intended, but interruptions have made it necessary for me to continue a short while longer.

The Government proposals in this Budget are very simple. Certain increases are proposed in internal taxation. My hon. friends opposite say that this bears heavily on the poor man. If they would examine these proposals, they would find that the heaviest increase is in the tax on spirits. Now I do not know that any one is worrying about the poor man's spirits; I do not think the poor man is himself. Food is exempt very largely, with the exception of package food. We expect to get our revenue from customs, excise, post office, and from other sources. My hon. friends directly opposite and my hon. friends angularly opposite have proposed to cut off a very serious amount of the customs tariff, and they offer to this House absolutely nothing in the place thereof. We stand on a clear-cut definite policy of a tariff of moderate protection, to the extent that is necessary to maintain the industries in Canada in a state of prosperity. That is a simple clear proposition; that is where we stand, and where we propose to stand. My hon. friends opposite talk about direct taxation, but in all the years they have been there they have not offered one single proposal of a new internal or excise tax except one and that is a tax on the unimproved value of land. I must take a moment to speak on that.

My hon. friend the leader of the Agrarian party proposed it again the other day. What does he mean by a tax on the unimproved value of land? He did not explain the tax the other day; he skated all round it, but did not explain it. According to his platform, which I have here, it means a tax on land in Canada with improvement exempt. If you have a tax of that kind, the farmers of this country will pay a very large portion of it—and perhaps that would be as well. My hon. friend

gave an illustration of what he means by a tax on land, and I saw at once what he was driving at. He was trying to show the farmers of the West that if he and his friends came into office he would put the tax on the cities. His illustration was this: There are two lots owned by one man. The man builds an apartment house on one lot, while the other lot is vacant. He said that by the building of that apartment house you increased the value of the vacant lot, and what we mean to tax, he said, is the increased value of that vacant lot. Now that is taxing the unearned increment, and not the unimproved value of the land. My hon. friend is mixed in his definitions in these various matters that he undertakes to explain with such profound authority. I repeat, that is taxing the unearned increment, and not taxing in any sense the unimproved value of the land. My hon. friend will probably say: We intend to tax the unimproved wild lands. How much does he expect to get from taxing the wild lands in Canada? It is a joke. The estimate of the best actuaries in Canada is that a 1 per cent tax on all the lands in Canada, exclusive of improvements—and that is their proposal—would bring in $80,000,000. Who would stand for a tax on all the lands in Canada? The first people would be the hon. gentleman's own followers. How many cities in Canada can stand an additional tax on land? We tried a tax on unimproved land in Vancouver; that is, we exempted all improvements; it pretty nearly ruined the exchequer of the city of Vancouver, and we had to go back to a tax on improvements. The same thing has been tried in Alberta. Those who have tried it anywhere know the fallacy of the whole suggestion. In any case we have the municipal and provincial authorities, and this is a field of taxation which is exclusively theirs, perhaps not constitutionally, but certainly by practice. When my hon. friend seeks to pull the wool over the eyes of his followers on the prairies, he and they will have a sad awakening if the day comes when my hon. friends angularly opposite will be responsible for putting that tax in operation.

I want to make one further reference, and it is to a matter altogether apart from these debatable and controversial subjects. I refer to the appointment of a Canadian representative at Washington. I confess to the House that my mind perhaps was not so nimble as that of the hon. member for Durham (Mr. Rowell), nor was I so well informed in international affairs as the right hon. member for King's (Sir Robert Borden), both of whom have so ably put this matter before the House. After thinking the matter over carefully, I have come to the conclusion that the Government should not delay longer in appointing a Canadian representative at Washington, and I will tell the House why. The matter is of supreme importance, and I think that I should not lose this opportunity of making a reference to it. My reason for desiring this appointment to be made without delay is that there never was a time in the history of the world when things were in such a precarious condition as they are in to-day. The League of Nations has been formed, it is true, and I think we all hope that the League of Nations may prosper, but we all recognize the difficulties of diverse nations, races, views, and interests, getting together in the form of a League of Nations. I think we all will agree on this also, that the commonwealth of the British Empire, this group of autonomous nations within one Empire, together with the great republic to the south, would form a magnificent foundation for a permanent league of nations. While there are those who are endeavouring to cause division and differences between the Mother Land and the United States, I think Canada is peculiarly fitted geographically and by the genius of her people to bring together the Mother Land and the United States. Some hon. gentlemen may say: Let us do it by friendly commercial treaty or commercial arrangement. I say that the people of the United States are not concerned so much about our fiscal policy, any more than we are particularly concerned about theirs, except in a general way. What they are really concerned about, and what we are really concerned about, is the soul of the people, what we think of each other, and we know this: In all our aspirations and ambitions the United States and Canada think very, very closely alike, and we can interpret, I think, in a manner that no other nation can the views of the United States to the Mother Land and the views of the Mother Land to the United States. So I say to the Government, in conclusion, that in my judgment, they should hasten to fill this post at Washington so that Canada may fulfil the high destiny to which she is called.

Hon. CHARLES MURPHY (Russell): The hon. gentleman who has just resumed

his seat (Mr. Stevens), has re-affirmed his belief in protection as the correct fiscal policy for this country. My hon. friend will absolve me from the slightest intention of giving any offence if I say that the speech which he has made to-night will not change a single vote in this House; but, Mr. Speaker, that statement could not, with the same truth, be made with reference to the possible effect of the hon. gentleman's speech outside this House. And I will tell you why. A few months ago the hon. gentleman had charge of the Government campaign in the then Tory riding of West Peterborough. At different points in that riding the hon. gentleman made protectionist speeches precisely similar to the one to which you have just listened. And, Sir, what was the result? The people went forth from his meetings, there and then they left the ranks of the Tory party, they ranged themselves in solid array against the Tory candidate, and on election day they declared, by an overwhelming majority of their votes, that they did not believe in the fiscal doctrines preached by the hon. member for Vancouver and that they desired to be represented in this House, not by the Tory candidate, but by the hon. gentleman who now sits here as the Liberal member for West Peterborough (Mr. Gordon). In view of that result, Sir, you will understand that it may be regarded as not improbable that the speech delivered by the hon. gentleman to-night in this House will have an effect outside of this House the very reverse of that which it may produce here, but, one that will be exactly in line with the result of his speeches in the riding of West Peterborough.

Now, the hon. gentleman, in the course of his remarks, paid a good deal of attention to the speech delivered by my hon. friend the leader of the Opposition (Mr. Mackenzie King) this afternoon, a speech, Mr. Speaker, which in point of vigour, logic, and comprehensive grasp of present conditions in Canada, has not, I venture to say without fear of contradiction, been surpassed in this debate. The member for Vancouver was very wrathy at my hon. leader for having dared to say that this Government is the child of the invisible power known as the big interests. Then he went on to challenge my hon. leader to name those interests. Well, if my hon. leader means the Canadian Manufacturers' Association, and if my hon. friend from Vancouver also means the Canadian Manufacturers' Association, then, Sir, before I resume my seat, I shall have proved that this Government is beyond question the creature of that organization, and I will defy any hon. gentleman on the other side of the House to gainsay the fact.

Then the hon. gentleman dealt with the leader of the Opposition's criticism of the railways owned by the Government, and of the personnel and the operations of the Government Board of Railway Directors. In that connection, the hon. gentleman said that there was no objection to bringing down in this House the fullest possible information with reference to the railways and to the Board of Directors. Well, Mr. Speaker, if your memory does not altogether fail you, that must have struck you as a very strange observation, coming from the hon. member in view of the fact that it is only a few weeks ago since a resolution moved from this side of the House, asking for just that kind of information, was voted down by hon. gentlemen opposite, including the member for Vancouver himself.

The hon. member also discussed what the leader of the Opposition had said with reference to the loans made to Roumania and Greece, and he waxed eloquent on that point. He declared that the contracts were not let by this Government, but were let in Paris. My hon. friend, if he desired to carry complete conviction to the members of the House, and to the public outside the House, did not go far enough. Possibly—possibly, I say, Mr. Speaker,—the contracts were let in Paris; but if my hon. friend desired the hon. gentlemen sitting on this side to believe that no gentleman interested in this Government, or very close to the members of the Cabinet, had anything to do with the letting of those contracts in Paris, then he should have gone on and told the House where a gentleman named Sifton—Sir Clifford Sifton—was, about the time these contracts were being let. He should also have gone on and informed the members of the House where a few other eminent Canadian captains of industry were about the same time. Had he done that, Mr. Speaker, he would have given to the House complete and unanswerable proof of the correctness of the statements made this afternoon by the leader of the Opposition.

My hon. friend echoed a complaint upon which those who are in the tadpole stage of politics have been very eloquent during recent months. My hon, friend, of course, has long since emerged from that

stage. He complained that the leader of the Opposition had not moved his tariff platform, because he was afraid to put the party on record with reference to that platform. Mr. Speaker, how often is it necessary for us to go on record with reference to that platform? This party,—if it is to us on this side of the House that the hon. member was referring—were members of the convention that made and adopted that platform. This party voted for that platform. So that these statements made by hon. gentlemen opposite and by their friends throughout the country consist of the merest nonsense. This platform, after having been formally adopted at the great National
11 p.m. Liberal convention, by representatives of the whole Liberal party of the Dominion of Canada, is not, Sir, to be submitted to the House unless it were intended to trifle with the House and to waste its time. This platform is intended to be submitted to the whole people of Canada at the next general election, and when it is thus submitted to the entire electorate of the country, we on this side of the House have no doubt of the overwhelming majority of the people approving that platform. Then my hon. friend went on to censure the leader of the Opposition because of criticism offered by that hon. gentleman in regard to the Government's failure to bring down a measure of tariff reform. The hon. member for Vancouver said—and I took down his words—that it was "asinine to bring down a tariff measure now." Well, the only comment that I need make upon that, Mr. Speaker, is that, adopting the language of my hon. friend, the Government were asinine in saying in the speech from the Throne that they were going to bring down a measure of tariff reform. The language is not mine. The language is that of my hon. friend and I thank him for it. Applied to the Government it is most appropriate.

Then my hon. friend took up a statement made by the leader of the Opposition that the people should govern, and with a display of what he seemed to regard as cleverness he asked who rejected reciprocity? The answer, of course, is, the people rejected it. But, Sir, may I call the hon. gentlemen's attention to the fact that the party of which he is a member, and which he so consistently supports, have paid little or no attention to the will of the people as expressed with reference to that measure, because they have taken good care to grant piece-meal what our party proposed to grant at one time by a single piece of legislation. And, Sir, in this connection, as differentiating the two parties and marking the essential and eternal difference between Liberalism and Toryism, it must be remembered that had our late distinguished leader so willed it the reciprocity measure could have been put through Parliament by the adoption of closure but he said: No, we do not believe in coercion. We will not put this measure through by such means. We will never adopt closure while we are in power in this country. That, Sir, is a feature of the matter which should not be overlooked, and I mention it in case my hon. friend should have occasion to refer to the subject again.

Then the hon. gentleman directed his attention to my hon. friend the member for Marquette. He criticised him in rather severe terms and he challenged what my hon. friend had said with reference to the kind of canvass that is going on down in the constituency of York-Sunbury. He disputed the statement made the other day that the electors there are being asked to vote for the Government candidate on the ground that the Catholics are supporting the farmer candidate. In support of the denial of that statement by the Prime Minister the hon. gentleman read a telegram from the Tory candidate in the county of York-Sunbury. On that aspect of the dispute I do not wish to make any further observation. But the hon. gentleman also challenged the statement of the hon. member for Marquette with reference to an offer having been made to the Hon. P. J. Veniot, the Catholic representative in the Government of New Brunswick, to become a member of this Cabinet. The hon. gentleman laid much stress on the fact that the Prime Minister had categorically denied that statement, and he evoked the cheers of those around him by denouncing the hon. member for Marquette for having made it. Well, Sir, it happens that at this moment I am in a position to settle the dispute upon that point; and if I make no other contribution to the debate than the one that I am just about to make, then in all modesty I may aver that I will have rendered a public service to this country at the present time. The hon. member cited the denial of his leader that any offer had been made to the Hon. P. J. Veniot to become a member of this Government. Well, Sir, it so happens that the Canadian Press despatches to-day carry an article giving an interview with Mr.

Veniot, the man whom the hon. gentlemen on both sides of the House will admit is the man best qualified to tell what did take place with reference to the question under discussion. This is the article:

ST. JOHN, N.B., May, 19.

In reference to the claim of Hon. T. A. Crerar, leader of the Progressive in the House of Commons last Tuesday that Premier Meighen or his agents had approached "the Catholic Minister of Public Works in New Brunswick Hon. (P. J. Veniot), with a view to his coming into the Government," and Mr. Meighen's denial that any such offer had been made by him, or with his authority, Mr. Veniot is quoted in a special despatch to-day as stating:

"I would have preferred not to have discussed this matter, but in view of Premier Meighen's statement and the attempt made by the Conservative press to leave the impression that I sought the position instead of the position me, I feel, in justice to myself and my friends, I should break the silence maintained by me since first I was approached in December last with the request that I consider an offer to enter the Meighen Cabinet."

"Let me first say that I had no part in giving information on which certain questions asked in the House of Commons were based. I never authorized the use of my name in this connection."

"In view of all that has taken place in connection with this matter, I am, to say the least, surprised at the statement reported to have been made by the Prime Minister in the House on Tuesday last, when he left the impression that he knew absolutely nothing about any overtures made to me."

"The person who made the overtures to me presented to me a letter addressed to him and signed by Premier Meighen. * * * This letter showed that the Premier was in close touch with the situation, and, further, I may say that a certain other Cabinet Minister also wrote to this same person. It is scarcely necessary to add that the party who made the overtures is a strong and influential Conservative."

"I never sought the position, and my reply, dated January 11, 1921, can be produced to prove this when the proper time arrives. Should I ever aspire to fundamental"—

Evidently the word "fundamental" is a mistake.

—"honours, I would not attempt to obtain such honours by a base betrayal of my Liberal principles and the friends with whom I have been politically associated during the last thirty-five years. I still have faith in the grand old Liberal Party, and that faith cannot be shaken by any offers made by Premier Meighen and his friends."

Sir GEORGE FOSTER: May I ask my hon. friend a question? My hon. friend has read a letter of which I did not hear the whole, but the purport of which, if I understand it, is that Premier Meighen authorized some one to approach the gentleman who is referred to with an offer of a position in the Cabinet. Is that the purport of the letter?

Some hon. MEMBERS: Read it again.

[Mr. Murphy.]

Mr. MURPHY: I have no objection to my hon. friend asking a question, but in reply to his question I just want to say that I prefer not to be interrupted in my speech, and that this despatch—

Some hon. MEMBERS: Oh, oh.

Mr. MURPHY: I want to see who is laughing, because I can change that laugh in half a minute.

An hon. MEMBER: It will be changed pretty soon.

An hon. MEMBER: "The loud laugh denotes the vacant mind."

Mr. MURPHY: The despatch I have read tells exactly what was done in the language of Mr. Veniot and my hon. friend can see it for himself. Now on this point this document, Mr. Speaker—

Mr. MEIGHEN: Would the hon. gentleman read the letter. I have not heard it and I would be glad indeed if he would read it?

Mr. MURPHY: I have read the despatch; the hon. gentleman was not in the House at the time. I desire to make some extended observations and I do not care to read it again.

Some hon. MEMBERS: Oh, oh.

Mr. MURPHY: I intend no discourtesy to the right hon. gentleman. It is not my fault that the right hon. gentleman was not here. He should have been here.

Mr. MEIGHEN: Does the hon. gentleman refuse to read it in my hearing?

Mr. MURPHY: No, I do not refuse to read Mr. Veniot's interview in the right hon. gentleman's hearing. That is not my reason for refusing to read it again. I have already read it, and the right hon gentleman should have been in his place to hear it.

In the course of this debate there have been various references to the right hon. gentleman's speech delivered a few days ago in this House. It was not my privilege to hear the right hon. gentleman, so I have been obliged to form my opinion of his speech by reading it, by hearing opin ions expressed about it, and by listening to a discussion of it here in the House. This afternoon my hon. friend the leader of the Opposition stated that in his opinion the lengthy speech of the right hon. gentleman in its duration of two and one-half hours did not contain a single human note. My impression is, Sir, that that is a correct

description of the speech. It might have been an appropriate speech for the right hon. gentleman to deliver a few years ago when he was the chief slugger of the Borden Administration, but I submit it was not the kind of speech that we have a right to expect from the Prime Minister of Canada. I say, further, Sir, that there was neither dignity nor leadership in the speech, and that it was remarkable mostly for—

An hon. MEMBER: Slugging.

Mr. MURPHY: —for what it omitted rather than for what it contained. The right hon. gentleman devoted almost his entire time to an attack on members of the Opposition; but he had nothing to say about the question of unemployment or the remedy for it; he had nothing to say about the high cost of living or a measure of relief to reduce it; he had nothing to say about curbing public expenditures; nor had he anything to say about any policy to increase Canada's export trade.

Possibly, Sir, we have the key to the last omission in a report that appeared in this morning's Citizen, giving the substance of a speech delivered at Toronto last evening by Mr. Lloyd Harris, a friend of this Government and a gentleman who has occupied a very prominent place in the business life of this country. The despatch is as follows:

> Toronto, May 18th, Lloyd Harris, former Canadian Trade Commissioner, addressing the Canadian Confectionery, Biscuit and Chocolate Manufacturers at a banquet tonight which concluded the annual convention of the organization, said: "Canada's export trade in Great Britain was suffering because of our present political system. The Government is so inefficient," he said, "that it has less business understanding than a boy in the street."

And strangely enough, Sir, on the very day that the report of that speech appears there is given ocular demonstration to the members of this House and to visitors in the gallery that this business inefficiency even extends to the length of its being impossible for the Government to put two clocks on the walls of this chamber that will both tell the same time! As you will observe one is 10 minutes ahead of the other. And on the point of Government inefficiency it may also be observed that while my hon. friend from Vancouver (Mr. Stevens) did not specifically mention it, it may be assumed that he had Mr. Lloyd Harris' words in his mind when he strongly urged the Government to disregard the opinions of the hon. member for Durham (Mr. Rowell) and the right hon. member for King's, N.S. (Sir Robert Borden), and to hurry up and appoint a trade commissioner at Washington.

Now, Mr. Speaker, it is not improbable that my opinion of the Budget, which has been more or less under discussion in this House for the past ten days, might be conjectured with a fair degree of accuracy, even if I refrained from giving expression to my views on the subject. However that may be, I deem it a duty that I owe to Parliament, to my constituents and to the country at large that I should state briefly and plainly what my position is, and at the same time make known the reasons for the vote that I intend to give upon the amendment that has been moved by my colleague the hon. member for Shelburne and Queen's (Mr. Fielding).

To the merest tyro in politics it is as clear as the noonday sun that this Budget was born of the necessities of the Government. In the Speech from the Throne at the opening of the session, as has been frequently said, a revision of the tariff was promised, but now when the Budget is brought down near the end of the session it does not contain the promised revision, and we are told that there will not be any revision of the tariff for some time to come. In other words, the Budget is the makeshift product of a makeshift government. For that very reason it has given fresh stimulus to the commercial unrest that a comprehensive and stable policy would be a prime factor in removing. Already merchants are protesting against some of its features that, in their application, are held to be injurious to the normal and proper conduct of business, and it is certain that as time passes this feeling will increase in intensity, just as the feeling against the luxury tax did, so that nobody need be surprised to see the Minister of Finance again recede from his position as he did on a former occasion. There can be no doubt, Sir, that, like the policeman in Gilbert and Sullivan's opera, the Finance Minister's lot "is not a happy one." Indeed, on this side of the House we should be disposed to extend greater sympathy to him if he had not given us such abundant proof that he is mentally constituted like the great majority of children, some women, and a considerable number of men, who do not realize the danger of certain tasks that they attempt.

Opposition members have sought to impress upon the Minister of Finance the futility of trying to re-establish equili-

brium in our national business affairs by piling taxes upon taxes while useless expenditure goes on unchecked.

On that point I want to add a word.

It is true that the Minister of Finance and some of his colleagues in the Government preach economy, but, Sir, it is truer still that they do not practise economy. There has been a carnival of unnecessary expenditure in connection with the railways, the merchant marine, the militia, and the transfer of the mounted police from their natural and useful field of action in the West to an unnatural and an indefensibly expensive field of inaction in the East. Added to all this there have been new and hitherto unheard of schemes invented to spend public moneys, such as the housing scheme and the jobs created for and the financial rewards given to, scores upon scores of so-called Liberals who deserted their party in 1917. The net result is that no matter what amount may be raised by taxation, a large portion of it is put to uses from which the public as a whole derives no benefit whatever.

Dealing with this subject, the Toronto Globe in an editorial published a few months ago said:

> At a time when Britain has been cancelling debt at the rate of almost a hundred million dollars a month Canada is barely holding the net debt down to the figures shown at the completion of demobilization. The need for thrift in the various departments of the national service was never more urgent than it is to-day. There is no justification for the spending of public money at the rate of over $360,000,000 a year, even though that vast sum includes interest and sinking fund on the national debt. The Canadian people cannot stand taxation of almost $40 per year for every man, woman and child in the country. The load is intolerably great.

In view of the official figures, Sir, that have been made public since the editorial from which I have just quoted was written, the statement of the Globe has even greater weight to-day than it had when it was published a few months ago. But having regard to the forces behind this Government, it is, I fear, too much to expect that they will practice economy even if they desired to do so.

As a contrast, Mr. Speaker, with what has been their practice I am reminded of an incident that was told me to illustrate the spirit of thrift that animated Mr. Gladstone, the greatest of British statesmen.

A few years ago Mr. Lloyd George was showing me over the premises in Downing Street which he then occupied as Chancellor of the Exchequer. He directed my attention to a small plot of bare ground, possibly about fifty feet square, forming part of the government property immediately in the rear of his official residence. With a smile, he told me that Mr. Gladstone when Chancellor of the Exchequer had occasion to point out the same plot of ground to a friend and that the friend had suggested that it should be graded and sodded. Mr. Gladstone instantly turned and said: Sir, where is the money to come from? Merely to recall the incident, Mr. Speaker, is to illustrate, without any comment of mine, how sadly Mr. Gladstone would be out of place as a member of the present Government of Canada.

Hon. gentlemen who have preceded me on this side of the House have discussed the Government's Budget and its tax proposals in such detail that at this stage of the debate I do not think that anything could profitably be added to what they have said if I were to discuss any special features of the Government's policy. I will, therefore, confine my observations to a brief review of the tariff position taken by some hon. gentlemen opposite and then to an exposure of a few of the methods adopted by protectionists to attain their chief object is life, namely the fleecing of the Canadian public.

The hon. Minister of Militia and Defence (Mr. Guthrie) who, I hope, is in the chamber at the moment, in his several tariff speeches during the present session paid a good deal of attention to the Opposition, and their attitude towards the tariff seemed to disturb my hon. friend. Well, Sir, as I listened to the hon. gentleman the thought occurred to me that what was really troubling him was not the present tariff attitude of the Opposition but the ghosts of some of his own former speeches on the tariff. In times past, Mr. Speaker, the hon. gentleman took a very different attitude with regard to the tariff from that which he has recently taken in this House. I do not propose to go over all the tariff pronouncements made by my hon. friend, but, with perfect fairness to him I can indicate by a few references just where he stood upon the tariff a very short time ago and what he thought about the Government that then advocated a brand of protection similar to that which is advocated by the Government of which he is now a member.

When the Bill introduced by the Borden Government for the purpose of creating a tariff commission was under discussion in this House in February, 1912, the hon. gentleman took very strong exception to it.

After having described the Bill as "nothing more nor less than a cheap Yankee device of the Finance Minister copied from the United States, a device notoriously invented by the high protectionist party in the United States," and having further alleged that the Bill was "intended to sustain the glorious doctrine of protection," the hon. gentleman let in the light on his present political associates in a few biting sentences. They may be found on page 2604 of Hansard of 1912. They were as follows:

> This Bill cannot be said to be original in any respect. There are only two or three countries, I believe, in the world—only two or three at all events, of which I know—which have adopted tariff commissions and it is a strange thing that the countries which have adopted this method of procedure are the highest protected countries in the world. A tariff commission board seems to be a necessary adjunct to the high protective system, and I do not think I am going one jot beyond the truth when I say that this Bill is brought in here—almost the first important Bill of the the first session of this Parliament—as a quid pro quo for the Canadian manufacturers' Association to redeem the promises made to them for their generous and lavish support during the election on the 21st day of September last.

Having thus exposed how his present bedfellows proposed to reward their benefactors, the hon. gentleman declared that "the farmers of Ontario are not high protectionists," and then, having stated his own position in these words: "A tariff for revenue affords enough protection in my community and, in my opinion, it is sufficient"—the hon. gentleman wound up his excellent speech by moving that the Bill be given the six months' hoist.

Now Sir, the position taken on the occasion to which I have just referred by the hon. Minister of Militia and Defence was a fairly advanced position, but he made still greater progress toward freedom of trade during the following twelve months.

It will be remembered that there was a by-election in the constituency of South Bruce in the month of October, 1913. The hon. gentleman took part in that by-election and he delivered a number of stirring speeches in behalf of the successful Liberal candidate, the hon. member who at present represents South Bruce (Mr. Truax) in this chamber. One of the meetings that was addressed by the hon. Minister of Militia and Defence was held at Walkerton on October 23, 1913. At that meeting a speech was delivered in support of the Tory candidate by the present right hon. Prime Minister. It fell to the lot of my hon. friend, who is now a colleague of the Prime Minister, to reply to the latter on that occasion, and from the report of his speech published in the Toronto Globe on October 24, 1913, I take the following paragraphs:

> Every day since the present Government assumed office the cost of living had been increasing. Prices were being held up by the trusts and combines. There was a call in the country for a Government that was strong enough to break the flour combine, the canners' combine and the packers' combine.
>
> We want a Government that is strong enough to go to these people and say that the cost of living must be reduced. I will stand up in the House of Commons, or in the country, for free food for the people of Canada. Where was Mr. Meighen, too, on the duty on agricultural implements? He had moved a resolution in the House of Commons to have the duty on farming machinery reduced, but now that he was in the Government nothing was heard of it.

I call upon the Minister of Militia and Defence (Mr. Guthrie) to redeem the public promise that he made in the riding of South Bruce in the year 1913. I call upon him to stand up in this House and demand free food for the people of Canada. If he does not do so then out of his own mouth will he stand condemned; and by that broken pledge rather than by any mandate from the people, will he justify his continuing to hold a portfolio in this Cabinet of broken pledges.

During the past year the Minister of Marine and Fisheries (Mr. Ballantyne) has made a number of speeches on the tariff in the country and in Parliament. His most recent speech on this subject was made in this debate a few days ago. In all his speeches the hon. gentleman has assumed a critical attitude towards the Liberal party and, stated in general terms, his position has been that he supported the tariff policy of Sir Wilfrid Laurier; that the Liberal party has abandoned that policy and substituted another which is not the one which Sir Wilfrid advocated, and that in consequence, the hon. gentleman cannot support the Liberal party. Now, Sir, let us examine these assertions.

Granting that the hon. gentleman supported the Liberal tariff policy down to the year 1911, I contend that his support of that policy ceased in that year. Recently I had occasion to read a list of names of certain Liberals in Montreal who opposed their party on the reciprocity issue in 1911. Included in the list there is a gentleman named Ballantyne, and upon making inquiry I was told by Montreal friends that the gentleman who is thus designated and the Minister of Marine and Fisheries are one and the same person. That being so, it is evident that the hon. gentleman

broke with his party on the tariff issue in 1911 and that on fiscal matters he was not, from that time on, a follower of Sir Wilfrid Laurier. Therefore, I cannot admit the claim set up by the hon. gentleman, based on the incorrect statement, that he was a consistent follower of Sir Wilfrid's tariff policy.

Now let us examine the other branch of his statement that the present tariff policy of the Liberal party is not the policy of Sir Wilfrid Laurier, and that it is a substitute for the one advocated by the late leader of the Liberal party.

In the House of Commons on May 23, 1917, the Hon. Frank Oliver moved, and Mr. F. B. Carvell, then member for Carleton, N.B., seconded this resolution:

1. That wheat, wheat flour and all other products of wheat be placed upon the free list.
2. That farm implements and machinery, farm tractors, mining, flour and saw-mill machinery, and repairs for same, rough and partly dressed lumber, illuminating, lubricating and fuel oils, cement and fertilizers be added to the free list.
3. That staple foods and food products (other than wheat flour) domestic animals and foods therefor, be admitted into Canada free of duty when coming from and being the product of, any country admitting like Canadian articles into such country free of duty.
4. That substantial reductions be made in the general tariff on all articles imported into Canada, excepting luxuries.
5. That the British preference be increased to 50 per cent of the general tariff.

Upon reference to the Parliamentary records of the date mentioned, it will be found that Sir Wilfrid Laurier supported and voted for the resolution that I have just read. That resolution, therefore, embodies Sir Wilfrid's tariff policy on May 23, 1917.

Later on in the year 1917, in his election address of November of that year, Sir Wilfrid Laurier thus defined his position on the tariff:

In further mitigation of disadvantages to agricultural production, I would immediately remove the duties on agricultural implements and other essentials, as demanded by the western farmers. A general well-considered reform of the tariff for the purpose of helping Canadian production and relieving the Canadian consumer would also be an object of my administration.

These words make it plain that at the end of 1917 Sir Wilfrid stood on the same tariff platform as he had advocated earlier in that year.

The last public address delivered by Sir Wilfrid Laurier was his speech at the convention of the Eastern Ontario Liberal Association on January 14, 1919, just about a month before he died. The convention had adopted a comprehensive tariff resolution summarizing the Liberal party's record from 1893 to 1919, and declaring for a downward tariff revision in accordance with the resolution moved by Mr. Oliver and seconded by Mr. Carvell in the House on May 23, 1917, and in expressing his approval of the action of the convention, Sir Wilfrid spoke as follows:

In the resolution which was passed upon this subject at the convention of 1893, we declared against the principle of protection, and when we had the opportunity we lived up to our declaration. Sir, it has always been made a cause of reproach to us that when in office we did not adopt but were recreant to our declarations. Such a reproach cannot reach us. We were not recreant, we proceeded step by step towards the goal, always keeping it in view, never imposing a duty for protection's sake only, but always acting upon the principle or the basis of a tariff for revenue and revenue only. This was our policy in the past, it is our policy to-day and we have taken this occasion to reaffirm it. Sir, as I have already told you, the reproach is made to us that we were recreant to our declarations, to our policy. This reproach is well rebuked already by the declaration which you have passed this afternoon, reciting what we have done, reciting the many articles which we placed upon the free list, and reciting the many articles upon which we made a reduction of duty. But there are two features especially of our policy which will stand at all events, one will stand forever, and the other will soon be restored, I believe. The first policy which we affirmed upon succeeding to office was the policy of a British preference.

Then, after giving the details of the different stages in connection with the several increases of the British preference, Sir Wilfrid proceeded:

This was done in spite of all the opposition of the Conservative party.

And I might interrupt the reading of Sir Wilfrid Laurier's speech at this point by recalling that the hon. member for Vancouver, when he was speaking a little earlier this evening, said that, when there was any question of trading with Great Britain, that touched hon. gentlemen opposite on a tender spot. There can not have been much tenderness in that spot when the Liberal party introduced the British preference because, as Sir Wilfrid Laurier says, we adopted it "in spite of all the opposition of the Conservative party." Sir Wilfrid continued:

And upon what ground was their objection based? Simply upon the ground that we should have exacted preference for preference, that if we gave preference to the goods of Great Britain, that country should give us the preference for our goods. That was not our policy. We said: "No, we are not going to bargain with the Mother Country upon matters of that kind. We do it because we are British subjects, and because we believe in the principles of free trade. We believe

also that it is for the good of the Canadian people that we should adopt that policy, and by that policy we stand to-day also. In your resolution your affirm that the black eye which was given by the present Government three years ago should be removed, and, Sir, if it is in our power to do so, we shall do so. At all events, we shall take the opportunity to bring the matter before Parliament at the next session."

Then a little later on in the same speech Sir Wilfrid Laurier dealt with the subject of reciprocity, and he said:

Sir, there was another feature of our policy another attempt that we made at freer trade—this time not with Great Britain, but with our neighbours, the American people. . . . Let me say here that if ever there was a policy which would have been beneficial to the Canadian people, it was the agreement which was made between Mr. Fielding and the Government of Mr. Taft.

However, that policy was defeated. It was met with the cry, of "no truck or trade with the Yankees," which was stupidity itself, and I am sorry to say they carried the country with it. But, Sir, revenge is sweet at all times, sweet even to me who profess to be a good Christian. Revenge is sweet, and do you know why? My revenge is in the attitude of the Conservative party who have proclaimed no truck or trade with the Yankees, and yet had to go to Washington, reluctantly, I admit, very reluctantly, but under the threat of the western farmers, who were asking for free wheat with the Americans, they had to go—the consequence is that to-day we have free wheat. But that is not all. They had to make another advance to the Americans, not for the farmers of the West this time, but for the farmers of the East. The growers of potatoes in Prince Edward Island and in New Brunswick made demands, and so those in power had to adopt the American offer of free potatoes; and so to-day the potatoes raised by eastern growers are free in the American market. There was still another step, and this one was taken, not by adopting the Washington legislation, but simply by action at Ottawa. They gave free tractors to the farmers of the West, this action being taken by Order in Council. I had no objection to such Order in Council. I would almost forgive them the others if they would pass more of this kind.

Now, what do these piece-meal advances in reciprocity mean? They are simply an admission that these people were acting stupidly—to put it no stronger than that—when they refused the offer made by the Americans of extended free trade with them. If there ever was anything stupid in the world surely it was the action of the Conservatives in 1911, in declaring that we Canadians, numbering less than 8,000,000 of people, should refuse to trade with the wealthiest nation on earth to-day, the American people.

He concluded that branch of his address with these words:

Of course, they have the satisfaction of having won office upon the stupid anti-reciprocity cry, but better lose ten times over than triumph by such methods as that. For we know that if there is one thing which, more than any other is conducive to good relations between nation and nation it is trade. And, though our commercial relations with our neighbours have not been as free or as friendly as I would like to have them, and though we lost a great opportunity in 1911 to make them more friendly than they were, still, thank Heaven, we have the satisfaction of knowing that for over a hundred years we have had no war with our American neighbours. That is a great triumph.

There, Sir, you have in Sir Wilfrid Laurier's own words his dying message as it were on the subject of the tariff. Now, after that, what did the Liberal party do? Did it, as the Minister of Marine and Fisheries claims, depart from the position taken by Sir Wilfrid and substitute another policy for his? It did nothing of the kind. At a great National Convention—such a convention, Mr. Speaker, by the way, as the Tories have never had the courage to hold—the Liberal party affirmed the policy which Sir Wilfrid had advocated by voice and vote, and it did so in a resolution whose terms are practically identical with those of the resolutions supported by Sir Wilfrid in 1917 and in January 1919. So that there may be no doubt on that point, I will read the resolution adopted by the National Liberal Convention in August 1919. It is as follows:

That the best interests of Canada demand that substantial reductions of the burdens of Customs taxation be made with a view to the accomplishing of two purposes of the highest importance: First: diminishing the very high cost of living which presses so severely on the masses of the people; Second: reducing the cost of the instruments of production in the industries based on the natural resources of the Dominion, the vigorous development of which is essential to the progress and prosperity of our country.

That, to these ends, wheat, wheat flour and all products of wheat; the principal articles of food; farm implements and machinery; farm tractors, mining, flour and saw-mill machinery and repair parts thereof; rough and partly dressed lumber; gasoline, illuminating, lubricating and fuel oils; nets, net-twines and fishermen's equipments; cements and fertilizers should be free from Customs duties, as well as the raw material entering into the same.

That a revision downwards of the tariff should be made whereby substantial reductions should be effected in the duties on wearing apparel and footwear, and on other articles of general consumption (other than luxuries), as well as on the raw material entering into the manufacture of the same.

That the British preference be increased to 50 per cent of the general tariff.

And the Liberal Party hereby pledges itself to implement by legislation the provision of this resolution when returned to power.

Now if the language of that resolution be compared with the resolutions publicly supported by Sir Wilfrid Laurier in 1917 and in January 1919, it will be found that the Liberal party to-day stands exactly

where Sir Wilfrid stood up to the last hour of his life; and if my hon. friend the Minister of Marine and Fisheries wants to see those who have abandoned the tariff policy of Sir Wilfrid Laurier, let him look first at the seats around him on his own side of the House, and then if he desire to complete the survey, let him look in his own mirror. Therefore, I say, let us hear no more of the silly talk that the hon. Minister of Marine and Fisheries indulges in when he says that he follows the tariff policy of Sir Wilfrid Laurier, and that we of the Liberal party have abandoned it.

Here let me interject, Mr. Speaker, an observation based on the presence in the Liberal party's tariff platform of a declaration in favour of increasing the British preference fifty per cent. Every time that is mentioned by anybody on this side of the House, up jumps the Minister of Marine and Fisheries and asks: Do you mean that? I have been wondering, Sir, whether the physical agility which the mention of that phrase, British preference, imparts to the Minister of Marine and Fisheries has any relation to the fact that British manufacturers are famous the world over for making a superior quality of paint?

Now should my hon. friend the Minister of Marine and Fisheries act on my suggestion and make a survey of the Liberal backsliders on his side of the House, one of the first upon whom his gaze will fall will be his colleague the hon. Minister of Immigration and Colonization (Mr. Calder). For that reason, and for other reasons as well, this hasty sketch of party fence-jumping would be minus its most attractive feature if the Minister of Immigration and Colonization were left out of the picture. Therefore, I will devote a few minutes to the hon. gentleman before I hasten on to the concluding part of my remarks.

In July last the hon. gentleman assisted at the birth of an alleged new party, and was one of the sponsors for the name adopted, the National Liberal and Conservative party—a double linchpin name. Following that event, it was announced that my hon. friend would be one of the members of the Tariff Commission, and that he would make a tour of the country with that body. For some reason that has not yet been disclosed, the hon. gentleman did not take up his duties with the Tariff Commission, but he did make a tour with the right hon. the Prime Minister. It was understood, Sir, at the time, that the Minister of Immigration and Colonization was to accompany his leader in the role of a political economist to preach sound fiscal doctrines in the West. You can therefore imagine the surprise, Mr. Speaker, of the right hon. the Prime Minister, and the vast amusement of the rest of the Dominion, when the Minister of Immigration and Colonization suddenly discarded the role of political economist and stood forth at a meeting one night in the character of an ornitholigist. declaring that in previous years, when he had spoken about the tariff, he had spoken as a parrot. Pursuing this new rôle, he endeavoured, but in vain, to convince his audience that he now spoke upon the tariff as an owl; and, on the authority of some of those who were present on more than one occasion, it can be asserted that the western people refused to take any more stock in the hon. gentleman as an ornithologist than they took in him as a political economist. Now, if the hon. gentleman is still pursuing his researches in ornithology, and if his analytical mind still occupies itself with a dissection of the elements of the party with which he is facing a lingering but inescapable fate, let me assist him in his studies by referring him to a few paragraphs in a speech delivered by Sir Richard Cartwright to the Young Liberal Club of Seaforth, Ontario, On October 27, 1886. These paragraphs are as follows:

> I want to say a few words to you on the proper relations which should subsist between Liberals and Conservatives. I want you to understand distinctly that in my opinion there is not necessarily, and ought not to be, any conflict between true Liberals and true Conservatives. According to my view of the situation Liberalism and Conservatism are rather the complement and supplement of each other than the necessary opposites. So to speak, I would say that Liberalism represents the masculine element, and Conservatism the feminine element in politics, all the world over. Don't let my Conservative friends here—if any such be present—for one moment suppose that with my views of the rights and functions and future place of women, when I speak of Conservatism as the feminine principle in politics, I do anything else than pay Conservatives an extremely high compliment. . . . We must recollect that it is the duty of the stronger to respect the weaker vessel. Both are wanted in a well ordered state if you can get them of the right sort. So I say to my young friends, be Conservative or Liberal, as you please; still I say also: Be one thing or the other. Let there be no halting between two opinions. If there be one thing I do abhor and detest, it is those Laodiceans of the commonwealth, those political mulattos who inherit the vices of both parties, and the virtues of neither; who seek to hunt with the hounds and run with the hare; who blow now hot and now cold; who, when political exigencies require it are ready to swear that black is white, that orange is green, that a circle is square, or a square is round, who are prepared to call themselves

Catholic-Protestants, or Protestant-Catholics, if they may thereby get a vote; whose principles are to have no principles; those men whose name is a lie in terms, which the other title of the animal is—"Liberal-Conservative." If any of that particular description of gentry object, Sir, I am willing to indulge them with another comparison. I revert to my original metaphor. If it be true, as I have intimated above, that Conservatism is the feminine and Liberalism the masculine element in politics, it follows, as a matter of course, that "Liberal-Conservative" represent the neuter gender—a barren, sterile, unfruitful generation, productive only of debts, of taxes, and of scandals.

Now, Mr. Speaker, if my hon. friend the Minister of Immigration (Mr. Calder), will bring his acute mind to bear upon the sentences I have just quoted, he will readily see that in the case of himself and his associates who are banded together under a name which, as good old Sir Richard said, "is a lie in terms," history is merely repeating itself, and the same fate awaits those who have adopted this new camouflage as the one that overtook the party that was held up to ridicule before the Young Liberals of Seaforth in 1886. For the sake of old times, let me offer a suggestion to my hon. friend. If, before the inevitable happens, the hon. gentleman should by any chance have occasion to address meetings in Western Canada again, I would suggest that he abandon ornithology and appear as a zoologist. If he will do that, and if he will then tell his audiences that, when he is speaking on the tariff, he is speaking, not as a parrot, but as a chameleon, he will make the hit of his life.

12 m. Mr. Speaker, in the Budget, as well as in the speeches supporting it, the feature that stands out most prominently is the concern of the Government to protect the interests of the few at the expense of the interests of the many. Protection is thrust forward so aggressively that new meaning is given to the phrase that "it is a condition and not a theory" that the Canadian people have to face. What the condition is may be gauged by an exposure of some of the methods that have been employed to produce it, and that are now being used in an organized effort to make it permanent in this country.

Many of the members of the House, perhaps all, will have read occasional protests on the part of certain newspapers against the attempts of Mr. G. M. Murray, the former secretary of the Canadian Manufacturers' Association, to control editorial opinion by the giving or withholding of advertisements. How that gentleman has been operating is not so well known, and as his operations are financed by the beneficiaries of protection, and are designed for the sole purpose of stifling or corrupting public opinion for the benefit of those who enjoy protection, it is in the public interest that the character and extent of these operations be made known. In general outline, that is what I now propose to do.

For six months or more prior to his resignation as secretary of the Canadian Manufacturers' Association, Mr. Murray served on a number of Government boards and commissions. In reality, his services were loaned to the Government, because he was paid throughout by the Canadian Manufacturers' Association. After resigning his secretaryship in the association, Mr. Murray began to collect his staff for the business in which he is now engaged, a business, Mr. Speaker, which is without precedent in Canada. Indeed, I doubt whether any parallel for it can be found in any other country in the world.

Mr. Murray operates through a company called "Murray's Editorial Report Service," with headquarters at Toronto. The chief business of this company is to collect the views of every Canadian daily newspaper, and Mr. Murray is assisted in this work by a corps of university graduates, who are supposed to be experts in "sizing up," as it is termed, any newspaper. Reports are sent out at irregular intervals to the company's patrons, or are given to them when called for. These reports are designed to guide the company's subscribers in the placing of their contracts for advertising space, and papers that advocate protection are always given the preference.

With funds supplied chiefly by Eastern manufacturers. Mr. Murray established two other companies to extend the scope of his operations. One was "Publishers News Service Limited," at Regina, and the other was "Canadian Newspaper Service Limited" at Hamilton. The former company was to put out in the West what are known as "patent insides" or ready prints for the newspapers, and the last named company was to perform similar work in the East. It was claimed that through these two agencies about 140 papers would be supplied with protectionist "patent insides".

The whole business under Mr. Murray's control has been conducted under a cloak of secrecy, and the names of the patrons of this unique service have not as yet been divulged. To keep up the mystery

all the subscribers to the service have been furnished with a chart or analysis of the Canadian daily newspaper field from the standpoint of the editorial policy pursued by each publication. This chart or analysis is a mass of symbols, letters, and numerals that can be translated into ordinary language only if the Key to the analysis is at hand.

Now, Sir, it will be of interest to the House, and of even greater interest to the country, to learn how the chart or analysis, as interpreted by the Key, deals with the Canadian newspapers. For an illustration let me take two of the leading Canadian dailies, namely the Toronto Mail and the Toronto Globe.

In the analysis the name of the Toronto Mail is preceded by the symbol formed by the two pairs of crossed lines used to denote the word "number." According to the Key this means that the Mail is "Unionist in politics" and "supports Meighen." Then after the name of the Toronto Mail, there are in separate columns, under appropriate headings, the following letters and numerals:

"A.1." Which means: "Gives good comprehensive news service covering both general and local fields. Excellent,—the best."

"E.1." Which means: "Well written editorials, clever in argument, forceful in expression, carrying conviction."

"J.1." Which means: "Gives expression to safe and sane views on Labour, Industrial Unrest, and Socialism, denounces extremes of all kinds, pleads for moderation, etc. Discusses the subject very frequently."

"N.1." Which means: "Supports a protective tariff with or without revision. Discusses the subject very frequently."

"R.1." Which means: "Generally sympathetic with Business",—business, Mr. Speaker, with a big B—"apparently desirous of seeing it get a square deal." "Fair in argument and truthful in statement. Discusses the subject very frequently."

"U." Which means: "Specially deserving of support. Sound on practically all points. Alert and capable in defence of Business."

Again business with a big "B." That ends the analysis of the Toronto Mail. Now let us see what is set down about the Toronto Globe.

In the analysis, the name of the Toronto Globe is preceded by the two symbols used in currency to indicate dollars and pounds. Again turning to the Key, it will be found that these mean that the Globe is "Liberal and Farmer" in politics and that it "supports King and Crerar." After the name "Toronto Globe" there appears the following letters and numerals:

"A.1." Which gives it the same rating as the Mail for news service.

"E.1." Which means that in editorial ability the Globe is on a par with the Mail.

"H.4." Which means "shows strong editorial bias on subjects not hereinafter covered. Anti-Union Government."

"J.1." Which means: "That the Globe's views on Labour, Industrial Unrest and Socialism are the same as those of the Mail and are expressed as frequently;"

"O.1." Which means: "Favors low tariff with considerable extension of free list and all-round reduction on the remainder; favors reciprocity with the United States. Discusses the subject very frequently."

"T.1." Which means: "Generally antagonistic towards Business, or given to misrepresentation and unfair arguments, or featuring the bad and saying nothing about the good. Discusses the subject very frequently."

"X." Which means: "Unfair. Bad points outbalance good. Objectionable." And there, Sir, the analysis leaves the Globe. Other examples need not be cited because in every case the paper that favours protection is recommended as the medium through which to advertise.

No less interesting than the Analysis and the Key, and even more informative, are the reports issued confidentially to the subscribers to Mr. Murray's service. In a sheet called Editor and Publisher, dated August 28, 1920, appears one of these reports:

> Toronto—G. M. Murray, whose plan for putting control of the editorial opinion of Canadian newspapers into the hands of the purchasers of advertising was reported last spring in Editor and Publisher and given liberal space in the Canadian press, is "in again." He attributes his previous lack of success to the fact that newspapers did not then need the money so badly as they do now, in the face of rapidly rising costs. Under date of August 16, in his latest "confidential" communication to the manufacturers he is trying to organize, he says:
>
> "What with one thing and another, the newspapers were simply reaping a harvest and if an advertiser tried to talk editorial policy to them, they simply wouldn't listen."
>
> "Just when they are beginning to figure how much higher they can jack up their advertising rates to meet their increased cost of production and to calculate how much more space they can sell at the higher rates, along comes a business depression that leads to the wholesale slashing of advertising appropriations. To the manufacturer in a similar position, the sympathetic editor would no doubt say, 'Draw on your reserve.' But it makes a wonderful difference whose ox is being gored.

"Advertisers can talk policy to that editor to-day and they will be attentively listened to. The editor knows that advertisers form the one class who can save his enterprise from financial disaster and anything those advertisers ask in reason they are going to get.

"The fact that already there have disappeared from the field such papers as the Toronto News, Peterborough Review, Saskatoon Phœnix and Regina Post is warning to all and sundry that in the midst of journalistic life we are in death and that he who would survive must henceforth pay less attention to the editorial sanctum and more to the office of the business manager."

Having thus pointed out to the manufacturers how they could bring the newspapers to time Mr. Murray proceeded to goad them to action and on December 29, 1920, he sent out a report in which the following paragraph occurred:

To-day the free trade storm signals are set as a warning to navigators upon the sea of business. Make no mistake about it. They are there to be seen, clear as the sun in the sky, by all except those who keep their heads in the sand. The organized farmers, under the leadership of fanatical theorists, have been worked up into a veritable frenzy of resentment against a fiscal policy that they have come to look upon as special privilege. They are out to effect changes by a process of destruction—a process that once initiated may go to untold lengths before it can be checked. If those who would thus be destroyed don't speedily organize for their own defence, and marshall all their resources in money and brains to meet the attack, they will almost certainly find themselves powerless to ward off a blow for which the Grain Grower arm is already bared, nerved with the last ounce of strength and determination.

In another communication to the subscribers on the subject of how they should spend their advertising appropriation in 1921 Mr. Murray said:

"The average agent, of course, pays little or no attention to editorial policy; with him all that counts is rates and circulation. If he had his way, many a publication that is doing its best to ruin Canadian industry, would be rewarded by the prospective victims to its folly with huge chunks of profitable business, tendered on a silver platter. I try to persuade my subscribers to let me look over the schedules their agents are asking them to adopt. When they comply, I give them a brief report upon every publication in the list. Those that are O.K. are marked accordingly. In the case of those that are objectionable, I explain what it is that makes them objectionable. Some are worse than others. Some I recommend be retained, but with a reduction from full to part schedule. Some I recommend dropping altogether, and to replace them I submit where possible the names of meritorious publications of a similar class circulating in the same territory."

"The far-reaching possibilities of this work are nicely illustrated in an unsolicited letter just received from an old friend connected with a paper that has been giving us splendid support. Speaking of one contemporary (a low tariff advocate) he says it has noticeably moderated in tone, in an effort to hold all the advertising it can. Speaking of another (a free-trade organ) he says that despite many manifestations of wrath, as it lost schedule after schedule, it now appears to be tactfully backing away from free trade. 'If your work', he continues, 'has had one-half the effect in other parts of Canada that it has had here, then your subscribers should be able to see it as I do. Moreover, an opportunity for increasing its effectiveness will come with the new year, when newsprint costs will take a further jump, and the difficulties of the publishing business will grow more acute. Many papers will watch their step, more particularly so because they know through past publicity that you exist and are watching things'."

"This frank statement of the case should surely suggest to all subscribers the desirability of refraining from entering into any new advertising contracts until they have first submitted their schedules to me for a report."

Now, Sir, as a final link in the chain I will summarize the details of a few incidents that establish the connection between Mr. Murray's operations and the Canadian Manufacturers' Association.

At a meeting held in Toronto last year it was represented by the executive of the Canadian Manufacturers' Association that a fund of $3,000,000 would have to be available in the event of a Dominion election. Of this sum it was stated that $1,000,000 should be immediately available. A difficulty arose on the score that companies or corporations were debarred from making political subscriptions; but this was overcome by the explanation that the money would be used chiefly for newspaper propaganda.

Mr. Murray was present at this meeting, and after explaining his plans for securing protectionist publicity, he obtained the approval of the meeting for his method of distributing among the newspapers "ready prints" or "patent insides". Mr. Murray was placed in charge of this work, and it was decided to supply all the funds that were necessary to make it a success. So that the Canadian Manufacturers' Association might not be officially connected with the scheme, a special committee was appointed to deal with it, and an amount, said to have been in the neighbourhood of $40,000, was placed at the disposal of this special committee. It was emphasized that the association would look to Mr. Murray to protect its interests, and that the greatest possible care should be taken to prevent the attitude of the manufacurers towards the newspapers from being made public.

For the present, Mr. Speaker, I do not consider it necessary to enter into any further details of the operations of Mr. Murray and his protectionist patrons. In all probability I have gone far enough to make it unlikely that any supporter of the

Government will rise in his place to defend the methods that I have just exposed; and yet, Sir, it must be borne in mind that these methods are being resorted to for the political benefit of the party now in office, and that that party must share responsibility for these methods with those who originate them, must share responsibility with those who finance them, and must share responsibility with those who carry them into execution to the detriment of the national welfare.

Mr. Speaker, it is because I hold these and the other opinions that I have expressed in the course of my address that I shall vote for the amendment that has been placed in your hands after being moved by the hon. member for Shelburne and Queen's.

Sir, in the next general election the whole record of the present Government will be the issue before the public. The Government's tariff policy will form an important part of that record. Hence, Sir, it is the duty of all who desire to see peace, prosperity and goodwill restored in this country to acquaint the electors at every possible opportunity with the true inwardness of the Government's tariff policy and with the aims and methods of those who support it. East Elgin and West Peterborough have demonstrated, and I venture to prophesy, without fear of successful contradiction, that York-Sunbury, Yamaska and Medicine Hat will further demonstrate, that protection will not protect this Government from the fate that awaits it when the verdict of the whole Canadian people is registered at the polls.

Hon. S. F. TOLMIE (Minister of Agriculture): Mr. Speaker, I had not intended to take part in this debate but for the fact that the hon. member for Shelburne and Queen's (Mr. Fielding) in the course of his speech made certain statements with reference to the building of a dry dock at Esquimalt, B.C. He implied that the construction of this drydock was entered upon for the purpose of assisting my re-election after my appointment as Minister of Agriculture. I want to state here, Sir, that if I had felt it was necessary to have a dry dock or any other public work constructed to elect me as a member of this House, I would still be in the live stock business out on the Pacific slope. I am quite sure that the hon. gentleman did not possess full information on the subject or he would not have made the statement which he placed before this House, and on that account I think it would be well for me to give the history of the construction of the dry dock from its inception up to the present time.

Esquimalt is located about four miles from Victoria at the southern extremity of Vancouver Island. It is in the constituency of the hon. member for Nanaimo (Mr. McIntosh). I represent the city of Victoria alone. A small dock, about 430 feet in length, was constructed at Esquimalt about forty years ago, for the purpose of accommodating naval vessels, Esquimalt having been the station of the British Navy on the Pacific coast for a number of years until it was handed over by the Imperial authorities to the Canadian Government. The dock was found of excellent service, and was the means of establishing at that particular point a very important ship repairing and shipbuilding business. For a long time, however, it had been felt that owing to the increasing size of vessels it was necessary to have a larger dry dock, for in many instances the Esquimalt dock being unable to accommodate ships wishing to dock for repairs, those ships went over to United States dry docks, and the work was lost to our contractors and also to our workingmen.

About the year 1912 the question of a drydock became a live issue. The matter was discussed very freely and active measures were taken to induce the Government to take some action with a view to providing larger accommodation in the drydock line. In fact that same year a drydock site was purchased at Lang's Cove in Esquimalt Harbour. About that time a big shipbuilding firm, Yarrows, Limited, with headquarters at Glasgow, Scotland, was searching about the Pacific coast for a suitable site for a drydock, having in view the establishment of a branch of their business on this continent. They examined sites on the American as well as on the Canadian side and after a thorough investigation they decided that Esquimalt was the most suitable place for their drydock. It may be of interest to hon. members to know that that was just five years before I had contemplated going into politics at all. The dock site, as I say, was selected, but owing to the fact that the war broke out shortly afterwards the work was not proceeded with and no further active steps were taken until 1919, the construction of the dock being agreed to in the month of June of that year. It was not until August 2 that I was asked to accept the portfolio of agriculture in the present government when the construction of the dock was agreed to in June.

I had no more idea of occupying my present position than I had of leaving for some other country; nor was the matter brought to my attention in any way by any member of the Government. It was 1920 that the contract was let for the construction of this dock. I cannot see, therefore, how under these circumstances my election either in 1919 or in 1917 can be connected with the construction of this drydock at Esquimalt.

Another dock is to be built at Vancouver under the Drydock Subsidies Act. There is also a floating dock at Prince Rupert, owned by the Grand Trunk Pacific Railway, but as that point is over 500 miles north of Victoria ships will not go from the south end of Vancouver island or down in the neighbourhood of the Straits of Juan de Fuca up as far as Prince Rupert if they can secure satisfactory accommodation nearer at hand.

There are a number of reasons why Esquimalt has been selected as the site for this drydock. A glance at the map will show that the Straits of Juan de Fuca pass in from the Pacific eastward and branch off to the south, terminating in Puget Sound on the American side, and also pass up to the north and into the Gulf of Georgia, thence up to Vancouver and further north. Esquimalt is situated about fifty miles from the Pacific ocean, and all traffic, whether destined for Southern Columbia ports or for American ports, passes practically within view of Esquimalt harbour, so that we have the benefit not only of Canadian-bound but also of American-bound traffic. The port is practically free from fog the year round. The waters of Esquimalt harbour have a considerable advantage over those of eastern points where drydocks are located in that they are liquid during the whole year, making them always navigable. We have there a very light rainfall, from 27 to 32 inches in the average year. Last year there was an average of sunshine or bright weather from five and a half to six hours a day during the whole year. There is winter temperature of about 42 degrees and a summer temperature of 60 degrees enabling men to work on the ships the year round; no fires are necessary to keep the men warm during the winter season. The work can be carried on under the cheapest possible conditions. The port is situated advantageously in that help can be secured from nearby centres, where it is always available, in the event of any big rush of ship repairing work coming on at any particular time.

About the time that the dry dock site was purchased Yarrows Limited was given to understand that this dock was to be constructed at Esquimalt, and this big firm immediately decided that they would locate there. They have since been carrying on to great advantage the business of a ship repair plant, employing a large number of men. The Government have thus not only kept faith with the people of Victoria, to whom this dock had been promised but have also kept faith with this big British firm which had come to this country to invest its money. If we hope to get British capital in this country one of the first things we must do is to carry out our undertakings in respect to that capital on every possible occasion. About seven or eight weeks ago I made a hurried trip to Victoria and Esquimalt, and at that time they had four deep sea-going vessels under repair. They had recently turned down another vessel because they could not accommodate it, and a Japanese vessel, the Manila Maru, had to go to Seattle for dockage accommodation because that available at Esquimalt was to small. This firm have plenty of capital. They do not ask for bonuses; if they lose money on a contract nobody knows anything about it but themselves; they do not come to the Government for assistance. They are rapidly building up a very valuable business at that point and employing a large number of Canadian workmen.

The trade of the Pacific Coast is increasing at a very rapid rate. There is at present about $2,000,000,000 worth of trade carried on yearly between America and Canadian Pacific ports and the Orient and countries to the south, and with the many millions of people over on the Asiatic side it is only reasonable to expect that this trans-Pacific business will increase by leaps and bounds, If we are to meet the situation we must have proper facilities on the Canadian side to accommodate shipping, to repair ships, and so on. As an indication of how keenly alive the Americans are to the situation, let me say that they have no less than sixteen floating and graving docks situated at San Francisco, Seattle, Portland, Oregon, and Bremerton, Washington, as compared with our one small dock at Esquimalt, which accommodates only one small ship, one floating dock at Prince Rupert and two other docks under construction. In the East, too, there are a larger number of docks than there are on the Pacific Coast. From the figures I will give you in a moment you will see that the number of docks on the Pacific is very

small compared with that in the East, having regard to the amount of tonnage involved. With the present dock at Esquimalt and one under construction we will be able to accommodate any ship afloat. The dock has a division in the centre so that two small ships can be put in at the same time giving us dock accommodations for three vessels at once. Through the operations of this firm of Yarrows Limited, which is known from one end of the world to the other where shipping is done, I am sure that a great deal of business will be brought to that point once it is known that we can accommodate anything that may offer.

I would like to place on Hansard a few figures to show the amount of tonnage entering the various ports in Canada where dry docks are located. The statement follows:

SEA-GOING VESSELS

Docks and Time of Construction	Arrived		Departed	
	No. of Vessels	Tons Register	No. of Vessels	Tons Register
Quebec—				
(Lorne), 1877	983	855,101	1,066	865,998
(Champlain), 1914	392	1,822,029	199	902,111
Victoria—				
1884	823	511,203	791	486,388
1920	2,170	1,673,470	2,168	2,249,422
Prince Rupert, 1912	279	273,044	283	269,930
Montreal, 1912	425	1,702,690	420	1,683,261
Vancouver, 1920	1,453	1,769,999	1,347	1,429,750
St. John, 1911	1,219	1,232,360	1,133	935,822

RIVERS AND LAKES VESSELS

Docks and Time of Construction	Arrived		Departed	
	No. of Vessels	Tons Register	No. of Vessels	Tons Register
Quebec—				
1877	43	9,077	20	3,653
1914	495	105,132	445	91,810
Montreal, 1912	804	631,730	713	559,915

COASTWISE VESSELS

Docks and Time of Construction	Arrived		Departed	
	No. of Vessels	Tons Register	No. of Vessels	Tons Register
Quebec—				
1877	2,845	318,899	2,845	318,899
1914	1,000	1,702,402	1,237	2,558,182
Victoria—				
1884	792	232,815	786	231,494
1920	3,380	2,114,401	3,412	1,740,018
Prince Rupert, 1912	1,253	590,537	1,213	522,978
Montreal, 1912	7,273	2,850,974	7,335	2,897,404
Vancouver, 1920	10,572	3,764,124	10,908	4,324,388
St. John, 1911	1,386	459,969	1,585	790,725

If the hon. member for Shelburne and Queen's (Mr. Fielding) were here, I believe he would agree that we should court on our side such industries as will retain the service of our Canadian workmen and will also enable us to cope with the increased traffic that we expect and have already on the Pacific ocean. I am quite

sure that he would not agree that it would be good business for us to try to continue with a dock of small capacity, while our larger vessels were compelled to go to the American side to be properly repaired and taken care of. With smaller dock equipment at Esquimalt, we are quite unable to accommodate even the vessels of the Canadian Mercantile Marine, with the exception of small boats such as those which operate on the lakes, and, of course, they do not reach the Pacific. Therefore, this dock is an absolute necessity if we are to make any progress along these particular lines, and to get the great trade on the Pacific that we expect.

I do not believe that the country is going to gain very much by our continually voicing our pessimism, or talking about hard times. By intelligent expansion, the country can accomplish a great deal of good. Having been brought up in the West and having experienced one or two western real estate booms, I do not feel at all down-hearted about our present condition. By careful economy, by the investment of money along such lines as give promise of safe development, this country is absolutely sure in its future progress. In addition to that, I feel that after what we have accomplished in the war, we have the proper Canadian spirit to develop and build up a country which must occupy a position of prominence amongst the great nations. This is one of the finest countries in the world, and our present conditions will compare very favourably with those existing in any other country that has taken part in the war.

Mr. FERNAND RINFRET (St. James:) Mr. Speaker, after the contribution made to this debate to-day by the leader of the Opposition (Mr. Mackenzie King) and the hon. member for Russell (Mr. Murphy), I feel there is very little to say on this side of the House, and I rise only to put myself on record as briefly as possible regarding this Budget which is of such interest to the people of the riding that I represent. Before I do that, I wish to say a few words regarding the declaration just made by the Minister of Agriculture (Mr. Tolmie), that it was a mere coincidence if this drydock in Esquimalt was in any way connected with his election. We certainly have a Government of coincidences, because it happens that when there was an election in West Peterborough, by a mere coincidence also, a contract was given for the Trent canal to the tune of $175,000, and I was quite surprised, when I ran in the division of St. James, that the Government did not see fit to begin to build a wharf in one of the water basins which decorate the squares which are so rightly famed in that division. I happen to have in my hand extracts from the Victoria Times, a paper which, no doubt, the Minister of Agriculture knows quite well. On October 21, the Victoria Times published a report of one of the meetings of the Minister of Agriculture. What do we read?

> Dr. Tolmie went into the dry dock situation and declared that he was anxious for the establishment of the dry dock at Esquimalt because it would tie the ship repairing industry down here.

Addressing the electors of Victoria on October 20, 1919, he said:

> I am now in a position to say that I have the assurance of the Government that the work will be prosecuted without delay.

Again, on the same date, speaking to 400 shipworkers he said, referring to the dry dock:

> When a fellow works hard and delivers the goods as I think I have done at Ottawa—

And as he was doing out at Victoria, I might add.

> —do you fire him or do you send him back and give him another chance?
>
> I have taken a deep interest in these yards and have had something to do with securing these contracts. We must have prompt measures to provide for further work. Since I arrived in town I have been busy on this but we would like to get two more steel ships and also wooden ships and secure the development of the ocean docks.

I think I need say no more to establish that the dry dock did indeed play a part in the election, and that it was used at that time also to do some repairing on the Government ship itself.

The Prime Minister the other day in the course of this debate made the statement that he did not think in the whole of his parliamentary career he had witnessed a budget statement received with such general approval as that of this year. I humbly submit that this is another case which should come under the ruling of the Chair against imaginary statements being recorded in Hansard. I consider, on the contrary, that never in the history of this country has there been presented to the House a budget so appalling in figures, so disastrous in all that it has to admit and certainly none so burdensome upon the Canadian taxpayer. The Minister of Finance has to admit that

although he has exerted his power of taxation with a view to securing from the public $100,000,000 more than is needed for the current expenditure of the country nevertheless on the whole operations of the year the deficit is twice that amount. The Minister of Finance, however, has great confidence in the future. With this distressing statement, he has given the House the valuable information that the sun still shines, our rivers still sparkle, our lands are as great and as fertile as ever, and our resources just as vast. Alas, Mr. Speaker, he has forgotten to add that our Federal expenditures are as great as ever, our deficits are running up all the time and the Government of the country is as incompetent and as unrepresentative as ever. Not that I wish to lay the whole blame on the Minister of Finance. We all know that he has only joined the Government of late, and that he is not responsible for most of the trouble. When he joined the Government party boat, to borrow a familiar metaphor of the Prime Minister, the ship of State was in a very unseaworthy condition, with the sails all torn out, the bottom leaking lamentably, the oars half disabled, and the planks in such a state of rottenness that no one short of a magician could have restored it and put it back into sailing condition. My hon. friend the Minister of Finance, though a sinner, is only a sinner of the eleventh hour, and I do hope that for him the text of scripture does not apply in the reverse form. He has done his best under the circumstances. He labours under the burden of an intolerable legacy, and is hampered by a policy which has proven disastrous. What could he do in view of the railway policy of the Government, and the merchant marine, the Militia Estimates, and all the extravagances of the Government? It is only natural to find that his financial powers have been superseded, and it is only logical that he should find himself confronted to-day with a shortage of food and an excess of appetite.

While the Minister of Finance undertook the duty of telling the people by what amount the country has been impoverished during the past year, the Prime Minister took upon himself to enter upon what he called a discussion of the tariff. May I here interject with all due courtesy that while we paid the greatest attention to the speech of the right hon. the Prime Minister, even to the point of putting questions to him occasionally, I was surprised to find that when the leader of the Opposition delivered to-day one of the greatest speeches we have heard in this House, the Prime Minister saw fit to keep away from the chamber. I think it is very seldom that a speech has been delivered by the leader of either party in a Budget debate wihch the other leader has not followed with due attention.

Mr. MEIGHEN: Possibly the hon. member would permit me to explain. I had to go out of town. I remained here yesterday, in the belief, according to announcement, that the leader of the Opposition would speak. He did not, and I had to go to-day. It was certainly out of no discourtesy to the leader of the Opposition. I would have been very glad indeed to have been here.

Mr. RINFRET: I thank the Prime Minister for his explanation. I can only wish that he will read the speech of my hon. leader very carefully. I am very sorry he cannot read it before he registers his vote because he might even have been convinced at the last moment. The Prime Minister, in his very clever speech took good care to distort the meaning of the amendment before the House, and he took equally good care to say as little as he could on his own fiscal policy. Where is the platform of 1918, he asked the hon. member for Marquette (Mr. Crerar)? Where is the platform of 1919, he asked the leader of the Opposition? Why are they not moved, he went on? Mr. Speaker, these hon. gentlemen have explained their position. Perhaps before we vote we might now turn to the Prime Minister, and in his own expressive way, put to him a very simply question, because, after all, he is in charge of the affairs of this country: Where is the revision of the tariff? Where is that revision which was promised long ago—a promise which was reiterated last year, and which gave birth to a very expensive travelling commission, a promise which was embodied in the speech from the Throne, a promise, in fact, that the right hon. gentleman has made on every occasion except at the proper moment, when it was possible to give effect to it. My hon. friend is looking for our platform. What about that revision of the tariff? Do you not think, Mr. Speaker, that instead of poaching in our waters he might well do a little cruising in his own? He says that our amendments do not last more than one year. I remember a Budget which was proposed in this House last year which only lasted three weeks, and of which my

right hon. friend approved in a lengthy speech. That was another case of a Budget giving general satisfaction, I suppose? The Budget lasted only three weeks, and then owing to the protests coming from all over the country, the Minister of Finance had to come before the House with a new Budget. That Budget also my right hon. friend approved, when it was in the form of a Bill. A few months later my right hon. friend, when Prime Minister, further amended that Budget by removing all luxury taxes from it. It will be seen, therefore, that he approved of a Budget in May, another Budget in June, and a third Budget in December, —a record of three Budgets in a little over six months. And yet he finds fault with us because we move only one amendment a year. But, Sir, I will not admit that the present amendment does not embody the policy of the Liberal party. That platform has remained intact, and I venture to say that there is not an hon. member on this side of the House who has not lived up to it. My hon. friend asks: Why not move it? Well, we are moving the essential principle of that platform. I will not go over this argument again, because it has been well put before the House in very conclusive terms. But again, I ask: What about the policy of the Government? I have read the Budget most carefully, and I find that the only changes that are proposed have reference to an increase in the duty on certain beverages which the free people of Quebec are at liberty to drink, and in this respect a most unusual taxation is imposed on a product which is prohibited in seven provinces out of nine. That taxation has come at the very last moment. After the people in these other provinces have had an opportunity to stock their cellars to the point of congestion, the Government now proposes to tax an article which the temperate people of Quebec and British Columbia are still in the habit of buying, not in dozens of cases, but by the single bottle. And the Budget also makes certain provision with reference to limes and other tropical fruit. Now, Sir, after the Government have spent thousands of dollars on a useless travelling commission, the only thing the hon. minister has to offer the country is a lemon tariff. I was somewhat surprised to find that the revision of the tariff had been deferred, because everything had been staged in such perfect fashion that we were led to believe that the Government would adopt a tariff still more to the purpose of their fiscal bed fellows. While the commission travelled throughout the country, and my right hon. friend himself delivered speeches in Sherbrooke, and elsewhere, declaring most unreservedly that the policy of the Government was a policy of protection. The people, in view of these declarations, were beginning to wonder why, if that was all settled in advance, it was necessary at all to promenade throughout the country the submissive smile of the Minister of Finance (Sir Henry Drayton) and the aristocratic features of the hon. gentleman who represents the labouring classes in the Senate. It was said that the commission was out for information on which to base a fiscal policy; but it was soon found out that the commission was not looking for information, but for arguments by which to confirm a preconceived policy. And if the revision is long delayed, and we do not get it this year, I begin to think it is because, in spite of all the work which the commissioners have done, they have not yet secured sufficient argument to back up my right hon. friend's speeches. That is why he is looking for our platform; presumably, he has lost his own.

The commission worked very hard indeed. I recollect one instance in Quebec where a witness applied for a reduction of the tariff on tin receptacles for maple syrup and maple sugar. The witness argued that the maple sugar industry was in good shape, the product selling very well; but he pointed out that the high price of tins was unduly putting up the cost of marketing this article. There was a clear demand for a reduction on a specific item. How do you think it was received? If one may credit the newspaper reports at the time—and they were all unanimous on the point—this demand was considered, not as a request for lowering the tariff on tins, but as a request for increasing protection on maple sugar. Here was a clear case where the lowering of the tariff would have favoured an industry. I may cite another. Let me quote from the Citizen of November 20, 1920:

1 a.m.

> Armour and Company announced that it had closed out its business in Canada, including a packing house at Hamilton, Ont., and selling agencies at St. John, N.B., Hamilton, Montreal and Toronto. The reason for this industry leaving Canada is given in the press announcement, thus:
>
> The supply of cattle in Canada is insufficient to keep the packing plant running, it was explained, and the tariff on importation of dressed meats makes shipments to the selling agencies from Chicago prohibitive.

Now, to come back to the Tariff Commission.

Mr. McGIBBON (Muskoka): Does the hon. member adhere to the platform of 1919?

Mr. RINFRET: I did not catch your question.

Mr. McGIBBON: Do you adhere to the 1919 platform?

Mr. RINFRET: I do not know whether the hon. gentleman was out of town or not, but I stated only ten minutes ago that not only I, but every hon. member on this side of the House, did adhere to that platform and, further, would live up to it.

Mr. McGIBBON: Hear, hear.

Mr. RINFRET: Well, now, if that will cheer the heart of my hon. friend, I am prepared to make that declaration as often as he likes. But to come back to the Tariff Commission, I should like to read what the Gazette had to say in praise of the Minister of Finance when the work was about over. I will read only one paragraph, but it is most interesting. Says the Gazette of November 18, 1920:

> The Finance Minister has conducted the Tariff inquiry admirably. As is his duty, he listens intently and patiently to petitions presented him, and does not hesitate by query and interjecion, to expose off-hand the fallacy of an argument or to develop it to a logical conclusion.

You will observe, Sir, how exquisitely the Tory organ puts it. When a low tariff witness came before the commission, the commissioners were up in arms to expose the fallacy of the argument; but when there was a demand for protection, the commission eagerly inquired: "Are you quite sure you do not want more?"—and developed the demand to its logical conclusion. Yet the Prime Minister will not revise the tariff. He is looking for our platform, and that of the Farmers. Well, I will not read our platform; it has just been read to-night by the member for Russell (Mr. Murphy).

Mr. BALLANTYNE: Read it.

Mr. RINFRET: The Prime Minister says he cannot find that platform in the amendment moved by the member for Shelburne and Queen's (Mr. Fielding), but he takes great comfort in the fact that he will be able to import a few lemons from the south, and that it will have cost the country hundreds of thousands of dollars in order that the people may have the incomparable privilege of drinking cheap lemonade.

In the meantime, the Prime Minister is leaving for England and, as I understand, he will deliver a few speeches there. I have no doubt that he will make the best use of his knowledge and talent when he addresses the British public. Now, he alluded the other day to the speech he delivered on the Budget last year. That speech contained a description of the way in which the fiscal policy of England has operated in the Mother Country, and I would advise my right hon. friend to take that speech with him when he goes there and quote it. I can picture the scene at the great banquet where all the economists of the country would be gathered and when the traditional usher would call in his rich melodious voice "silence, pray, for the Prime Minister of Canada." My right hon. friend would get up and say:

> My Lords and Gentlemen, you are all wrong and your fiscal policy is all wrong. Free trade has depopuated rural England; it has filled the emigrant ships with fugitives from her shores; it has scattered the manhood of Great Britain through the fields and workshops of the United States it has starved and repressed and dwarfed the nascent industries of Ireland; it has reversed the supremacy that Britain held through centuries in the industrial life of the world, and caused her to concede the place to other great competing nations who adopted a different policy. Such is the history of free trade.

Now, I will not play the childish trick of waiting for the question to be asked, "Who said or wrote this?" This is a speech that was delivered by the Prime Minister. It was not written by Norman Lambert; it is a speech to which the Prime Minister gave utterance.

Mr. MEIGHEN: And the Prime Minister has not changed his sentiments since.

Mr. RINFRET: I know that. That speech last year evoked a great deal of applause from the other side—in fact everything my right hon. friend says evokes a great deal of applause and desk-thumping on that side. Unfortunately that desk-thumping has no echo in the country; its only effect is to injure the furniture in the chamber and further add to the prevailing waste and extravagance. But I do not think there will be any desk-thumping in England if the Prime Minister repeats those sentiments there. If I have quoted his speech it is not for the mere pleasure of including it in the debate. It is because we find there in that single paragraph that blind, partisan, prejudiced attachment to a fiscal policy that we precisely condemn in the amendment that is before the House. I would go further than that. As far as I

am concerned I will say that I not only approve of the amendment as it stands, but I would make it read: that the tariff should not be based on the principle of protection, or on the principle of free trade, or on any stringent fixed doctrine. Because I contend, Mr. Speaker, that in this country—young and rising as it is—we cannot fix the tariff on any stringent doctrine: It must be flexible, it must be dealt with item by item, and it must adapt itself to the needs of the country.

Mr. MEIGHEN: That is pretty safe.

Mr. RINFRET: Now, Mr. Speaker, I wish to say merely a word about the St. James election. I am sorry to say that while my right hon. friend took no part at all in that election he is now manifesting considerable concern in the then Liberal candidate. He pointed to me in the House last session and asked how I should vote because I was elected, he said, on the platform of protection. I think he also did me the distinction to refer to me in his Sherbrooke speech saying that I was one of the Liberals who favoured protection. Finally, in his speech in this House the other day, he made some remarks of the same kind. Now, I do desire to state that during the St. James election we stood by the Liberal platform. It was read in public by different members of the House and by myself during the course of the campaign. The other candidate never dared to challenge it because he rather espoused it himself, and claimed that he was also a candidate approved by the leader of the Opposition. I may say that the whole electorate of St. James voted for that platform. Allusion has been made several times during the debate to Le Canada. This has afforded us free advertising which I appreciate. But let me say that we did publish that platform to a greater extent, perhaps, than any other paper in the whole of the Dominion.

The hon. member for Vancouver reproached me a few minutes ago because my paper published the interchange of remarks which took place between the Prime Minister and the member for Marquette, about the York-Sunbury by-election. I may say that we merely published the report sent out by the Canadian Press. I may add, however, that if the member for Vancouver, or any hon. gentleman opposite, is interested in to-night's proceedings, we will see to it that the interview about Mr. Veniot which was read a moment ago, is published.

Mr. MEIGHEN: Perhaps the hon. gentleman would improve on the hon. member for Russell and be good enough and honest enough to read the statement in my hearing.

Mr. BUREAU: Never mind reading it again. It will be published to-morrow and you can have a chance to read and think over it.

Mr. McGIBBON: Read it here, do not lose your nerve.

Mr. RINFRET: At this late hour I do not propose to detain the House very much longer. Some of the details of the Budget are very interesting. For example there has been quite a change in connection with the Customs Department, and I wish to congratulate the Minister of Customs upon having given up the writing of private letters and busying himself with public affairs. We are promised a chance in the Customs Department that we on this side have been asking for a long time in order to put that department on a business basis. Last year we inquired whether the Government intended to estimate customs duties according to the current rate of exchange and the reply was made by the then Minister of Customs that they did not. But good ideas make their way. On July 22, the former system was altered and a regulation passed by Order in Council—the usual method of the Government in dealing with these matters, only it was too long delayed—changing the regulations of the department in that respect. This session the Minister of Customs was asked whether further changes were intended as regards, for instance, goods coming from the United States, and again the reply was in the negative. However, good ideas once more made their way. We are now told that this regulation will also apply to imports of goods from the United States. Unfortunately the Government has seen fit to put an arbitrary value on all European moneys in this sense—that it will not, in any case, allow the depreciation to be any lower than 50 per cent. Now it is a well-known fact, Mr. Speaker, that European merchants who are quite conversant with the depreciation of their money usually make an overcharge on their goods before they export them to this country. However, this is a matter which can be taken up more in detail when we reach the committee stage. The same applies to the sales taxes and other provisions of the Budget.

Before I take my seat I wish to say a word or two about what is embodied in the last

clause of the amendment concerning the general expenditure of the country. I think we should divide that expenditure into two groups. The first group would include expenditure, which we must acknowledge because it forms obligations which the country has taken upon itself. In this group would be the war debt, and I fully share what was so eloquently stated by the hon. member for Mégantic (Mr. Pacaud) that as regards war expenditure we must pay up without the least discussion. But, Mr. Speaker, I think we should not altogether allow ourselves to be too much moved by the mere fact that it is war expenditure, because it is well known that under that head are included not only the amounts that were strictly necessary for the conduct of the war, but also considerable amounts which represent the scandalous and extravagant waste which was indulged in during that time. I am not going over all that again. It was proven in this House and before the Public Accounts Committee that millions of dollars were squandered in payments to profiteers—friends of the Government, colonels and others. Therefore although we must pay that debt, we should be allowed to hold the Government responsible for the fact that we are not only paying interest on strictly war expenditure, but we are also paying interest on all those millions which were squandered. We should also hold the Government responsible, although I am afraid we cannot remedy the evil, for the fact that $1,300,000,000 were invested in loans which are exempt from income tax. I need not say that profiteers who had made enormous profits during the war and did not know where to invest their money were the first to take advantage of these war loans. I remember an article which I once read in an American paper to the effect that you ought always to keep a very close watch on profiteers because of their alertness. The writer went on to say that in a certain country it had been decided to hang profiteers, and those profiteers at once formed a trust to hoard coffins! That is what the people can expect from profiteers. But there is another group of expenditures, and they have been mentioned often during the course of this debate. There is, for instance, the railway deficit. I see my good friend—if I dare use that expression—the Minister of Trade and Commerce (Sir George Foster) before me, and I recall when I was a member of the press gallery in the old House how he used to get up with feigned indignation when the Intercolonial railway was showing a deficit of a few million dollars. Mr. Speaker, we have read in that great poem, Dante's "Inferno", that the sinners were punished according to the character of their sins; the gluttons were famished, the proud were humiliated, and carnal sinners were tortured in their very flesh. I think, Sir, that my good friend has reached a circle where, after feeling so indignant over a deficit of a few million dollars, he has now to swallow a deficit of $75,000,000 or $100,000,000 as the result of his Government's policy. There is also the Government merchant marine. I am not going over it again at this late hour, for I have delivered several speeches on the subject—

Mr. BALLANTYNE: Go ahead.

Mr. RINFRET: But I do recall that recently when the genial Minister of Marine was showing us over a dry dock—not the Victoria dry dock, but a dry dock in Maisonneuve—he took great pride in the fact that they were launching a boat which was being sold to Norway for $170 a ton. When the minister made that remark a member said—I do not know if it reached the ear of the minister—"If that is so, by all means let him sell the merchant ships of the Government and get rid of them as soon as he can at that price." As for the Militia Estimates, it is no argument to declare that we are not spending more for the militia than we did before the war. As a matter of fact we are spending more. But the argument of the Minister of Militia and Defence (Mr. Guthrie) was that as the militia was more costly now than before the war we had to spend more on it for the same number of men. I have figures here—but I will not go over them now—which show that we have more employees now in the Militia Department and about one thousand more men in the force than we had before the war. We should do away with this militia expenditure because it is less needed at the present time, because it is more costly, and because we have no money to waste on it.

I have tried, Mr. Speaker, to go over the different clauses of the amendment, but there is one reason more than any other which will lead me to vote for that amendment, and that is that it contains a general denunciation of the policy of the Government, and if perchance it were carried it would force the Government to go to the country, and would restore to the hands of the people their supreme and paramount right to elect their own representatives.

Mr. F. R. LALOR (Haldimand): Mr. Speaker, I do not intend to detain the

House very long, but some statements have been made that I think I should answer. Before doing so I want to compliment the Minister of Finance on his splendid Budget report. I think never in the history of this House has there been presented a Budget so acceptable to the people or so eulogized even by members opposite. I also feel glad that in our Prime Minister (Mr. Meighen) Canada has such an able leader, and when I read some of the eulogistic statements made by hon. gentlemen opposite regarding the Prime Minister, I feel that we on this side of the House have reason to be very proud of him indeed.

There has been a great change in my time in the official Opposition. I have been a member since 1904, and at that time there was a solid Liberal delegation from British Columbia supporting Sir Wilfrid Laurier—that great and respected statesman whom I think every one remembers to with pride. Where is that representation to-day? Not one is left. Hon. gentlemen opposite have lost the support of that solid delegation. In Alberta the same condition exists—only one or two supporters of the Liberal party have been returned by that province; in Saskatchewan you find the same condition; and in the province of Manitoba their support has all gone to pieces. So we can say without possibility of contradiction that the great western provinces which supported the policy of the late Sir Wilfrid Laurier and of the hon. member for Shelburne and Queen's (Mr. Fielding) have deserted the present official leader of the party. Indeed, I think I am right in saying that outside of the province of Quebec he and his party have from the other provinces only twenty or twenty-one supporters in this House. As against that, on this side of the House supporting the Government we have about thirty of the stalwart old Liberals whose names are well known throughout all Canada as the very foundation and pillars of Liberalism in the past.

Mr. ARCHAMBAULT: They will never come back.

Mr. LALOR: Well, my hon. friend may not be as good a prophet as he thinks he is, I could recall the names of some of these men. Take men like William Charlton, from a neighbouring county of mine, one of the stalwart Liberals in Ontario during the last fifty years and a strong supporter of the present Government. We have the Mowats the descendants of Blake—we have all the great Liberals of the province standing by and supporting this Government. We on this side are a united, enthusiastic and loyal party, and we are loyal and enthusiastic in the support of our present Prime Minister, whom we are proud to follow.

I want to refer just for a moment to the Agrarian group. I do not want to say anything unkind of them. I have respect for them; I have respect for the farmers of this country. No man in this House sympathizes more with the farmers than I do. I know how hard they work for their money; I know what long hours they devote to their work on the farm; I know the conditions under which they live. But I submit that hon. gentlemen on this side are all anxious and willing to do what they can for the farming interests of Caada. So far as I am concerned, if the Farmers' party on any other party in this House will move a resolution which in my judgment is in the interests of the farming people of this country I will support it. But we do not get many of those resolutions. We hear many statements and a lot of talk, but we do not get very many resolutions from hon. gentlemen oposite.

One of the great questions in this country, a few years ago, as you know, Mr. Speaker, was conscription. I do not want to refer at any length to that subject, but I am sorry that the Government of Canada had to enforce conscription. The conditions were such, as hon. gentlemen of the Agrarian Party know, that the decision to enforce conscription had to be supported, and who helped to support it? The leader of the Agrarian Party and the men sitting behind him crossed the floor of the House, supported conscription and voted in support of this Government for at least two years. They did that, I say in the interests of enforcing conscription in this country, and I want that put on record in order that the farmers of my county, anyway, may know that we were not alone on this side of the House with regard to that question.

We have heard a good deal in this House about free trade. As the Prime Minister has said, I think that free trade was born in the West. In that part of the country some of the people are pretty sincere, perhaps, in the views which they hold on free trade. But I have sat in this House with a good many of those who now make up the Agrarian party. Where were they in the years when the tariff of the hon. member for Shelburne and Queen's (Mr. Fielding)

was carried out in this country? Where were they during those sixteen years? That tariff was higher than the tariff at present in force, because reductions have since been made by this Government on many of the necessities of life, upon agricultural implements especially. But even when the tariff was higher, every one of the representatives of the farmers in this House supported that policy and helped to carry it out—the high tariff policy of the member for Shelburne and Queen's. None of them went back on it at that time; they seemed to think it was all right. The reason is that they were supporting a low tariff policy then; they were supporting a high tariff policy. And my friends directly opposite are in precisely the same position. They talk now about free trade and the tariff, but between 1896 and 1911 they supported the policy of the member for Shelburne and Queen's and stood by it by their votes and their speeches in this House. I want to congratulate the member for Shelburne and Queen's upon the fiscal policy which he maintained during those years; I wish that the Liberal party sitting behind the present leader of the Opposition would stand by the principles that Sir Wilfrid Laurier and the member for Shelburne and Queen's upheld during all those years. We who are interested in manufacturing and in supporting the manufacturing industries would be proud indeed if we could look forward to the continuance of such a policy as the Liberal party had at that time. But I doubt very much whether on the Liberal side of the House we have a great many men, especially among those from the province of Quebec, who would be glad to suport that policy or who if they were returned to power—even with the Agrarian's, the annex supporting them—would see that the principle was carried out. They talk of free trade, but I do not believe they are free traders at all, the great bulk of them. I do not believe they have an idea in their mind of lowering the tariff. A great many of the members from Quebec, especially those from Montreal, including the member for St. James Division (Mr. Rinfret) who has just spoken, would not support any policy which had in view the lowering of the tariff. The same applies to many other members who have spoken on this question. The member for West Peterborough (Mr. Gordon)—does any one think that he is a low tariff man or a free trader? Not by any means; he is a supporter of high tariff, or would be if he thought that any proposed tariff for Canada would have the effect of intefering with the progress and development of the manufacturing industries of this country.

I do not think any class of the people would be in a worse position with a low tariff than the farmers would be. The protection of the farming interests is necessary especially in Ontario. I do not believe there is any sympathy so far as the tariff is concerned between the farmers of Western Canada and the farmers of Ontario and Quebec; their ideas are entirely different. The farmers of the West depend upon wheat and grains almost entirely; the farmers of Ontario depend upon general farming and as general farmers they never could stand for free trade or a low tariff duties on farm products. Take the question of butter and eggs. The amount of butter imported from the United States last year was very large. We imported 7,000,000 dozen of eggs from the United States, and $10,000,000 worth of meats last year; do hon. gentlemen say that the tariff should be lowered and more of these goods imported? A large number of the farmers of my county were at one time in favour of reciprocity, but when they heard the arguments presented to them, when they realized the condition in which they would be placed under a low tariff or under reciprocity with the United States, they voted very strongly against it. And what did reciprocity do for them in respect of the articles on which it was applied? It did not help them any in the manufacturing line, as we all know, because the duties to-day upon agricultural implements necessary for use on the farm are lower than as provided for under the reciprocity agreement. So that reciprocity, I say, would not be any advantage to them. I say without fear of contradiction that a protective tariff—that is, a fairly reasonable protective tariff—is in the interests of the farmers of Quebec. We have heard many misrepresentations in connection with the manufacturing industries. I say that the manufacturing industries of this country are misrepresented by statements made by the Agrarian group as well as by the official Opposition. So far as hon. gentlemen opposite are concerned I do not believe they are sincere in the statements which they make; they surely must be in favour of reasonable protection to the manufacturing industries of Canada. Quebec is a great manufacturing province, one of the greatest in Canada, and I am sure that

Quebec will grow in importance and in wealth under a fair and reasonable protective tariff. What would a low tariff do as regards people who work in factories? It would, as we all know, throw them out of employment, and I am sure men working in factories need protection now if they ever needed it in their history, when men are out of employment and looking for work. I regret exceedingly that there is unemployment in Canada to-day. But what would be the result if you took down the tariff wall between the United States and Canada, and with a low tariff or free trade allowed goods to come into this country? Hon. members from Quebec and the other provinces know as well as I do what would happen. I know that in my town in which I have lived all my life, if it were not for the manufacturers and industries in that town, grass would almost grow upon its streets. It is a town that has grown in a few years from a population of about 1,500 to something like 4,000, as the result of reasonable protection to its manufacturing industries.

Hon. gentlemen opposite say that manufacturers increase the price, I say that such is not the case. If you want to lower the price to the consumers of Canada, manufacture the goods in your own country, and competition between manufacturers in Canada will reduce the price to the level of the price of the imported article. Every dollar's worth of goods made in the United States or Great Britain and imported into Canada displaces just so much goods made in Canada and throws Canadians out of employment to that extent. My hon. friend shakes his head, but that is certainly the case. Men cannot be upheld in manufacturing industries; families cannot be kept and encouraged, unless manufacturers have a reasonable profit to encourage their industries. Manufacturers, we are told, take advantage of the duty and add it to the price. As a manufacturer, I say that that statement is not founded on fact; manufacturers do not take into consideration the duty upon an article when they set the price. What regulates the price is competition amongst manufacturers themselves, and perhaps the hon. member for Waterloo North (Mr. Euler) will bear me out in that. As I said, competition amongst manufacturers is sufficient to make the price just as low as it possibly can be made, and the price is very low and close. On many articles in Canada we manufacture and sell just as cheaply as American manufacturers do. I believe that in this country, boots and shoes—and they can go into the United States free of duty—can be bought just as cheaply as in the United States, and surely it is better to employ our people making shoes rather than to employ Americans to make them. I do not think members from Quebec, with the great shoe industries of that province, would ever endorse or support a policy that would admit boots and shoes into this country under a low tariff or free trade.

The same thing applies to the textile industry. Hon. gentlemen opposite tell us that we should appoint trade commissioners to develop trade in the United States. How can you develop trade in the United States for our manufactured goods when they put up a tariff wall that shuts us out of their market. A duty of 30 to 40 per cent is imposed on textiles going into the United States. How can you get over that wall of protection, and what would trade commissioners do in that country to develop and increase the exports of Canada? The people of the United States do not want our goods; their whole policy is to keep them out, not only by tariff, but by regulation, and any man who has attempted to export goods to the United States knows that the regulations there impose such restrictions upon him that it is almost impossible to get his goods in. I know, from experience, that textiles are sold as cheaply in Canada as in the United States. I am interested in a large factory in Buffalo in the United States; our scale of wages in Canada is practically the same as that in our American factory, and the goods we manufacture in our different factories in Canada are just about as cheap in price as those manufactured in our factory, and the goods we manufacture in factory in the United States. We do not sell our goods in the United States any cheaper than we do in Canada, so that the people of Canada are not robbed to the extent of one cent as against American prices. But we employ about 1,000 people in this country with their families to manufactories, and we must remember that those goods are made in Canada. Surely, that is better than manufacturing them in the United States and bringing them into Canada. If you import goods from the United States or from England, the people pay the price and the duty also. The development of industry in Canada will make our price lower than the American price and will encourage the employment of our own people.

What do the people of the United States contribute to our country and its development? They do not contribute towards our churches, charities, taxes, or anything else; but they manufacture goods and ship them in here, employing their people while, when goods are manufactured in Canada, that means that Canadians are employing their own people and contributing money towards Canadian necessities.

I was much amused the other day at the hon. member for Marquette (Mr. Crerar) saying that taxes should be imposed upon vacant lots. I do not think the hon. gentleman is sincere in that. In my town and in every other town and city in Canada artisans working in factories and men employed in other walks of life have bought lots; they are trying to save up enough money to pay for those lots and eventually to build a home on them, and the hon. member for Marquette says that those lots should be taxed in the interest of the Federal Government. I do not think the working people of Canada would appreciate very much a statement of that kind.

We want the Canadian market for the Canadian people, whether it is the manufacturer, artisan, man or woman working in those factories. We have about 8,000,000 people in this country. Do our own friends opposite say that we should open up that market of 8,000,000 people to the 105,000,000 people in the United States? As a manufacturer I say—and I think the manufacturers of Canada would endorse what I say,—that if we could get into that market free of duty, we would hold up both our hands for that; but they will not let us in; they shut us out, by their tariff and regulations. Yet our hon. friends says: "Let them into our market and ruin our market and industries for the Canadian people." That is not a loyal or patriotic policy for Canada. Every town, I think, wants manufacturing industries, and we want to encourage the establishment and development of such industries; but the hon. member for Shelburne and Queen's (Mr. Fielding) says: "If you know of any individual or institution who wants to come to Canada and start a manufacturing industry, tell him not to come."

Mr. McMASTER: Depending on the tariff.

Mr. LALOR: He says: "They will not get any protection in this country if they come. If you know of anybody in Canada who contemplates starting an enterprise, tell him not to start one because he will not get reasonable protection." I say that all Canadian towns and even our cities want protection and to encourage and induce manufacturing industries to locate in them. In my town, the board of trade and Municipal council are putting forth efforts every day in an endeavour to ge manufacturers to locate there. Under the policy of the hon. member for Shelburne and Queen's (Mr. Fielding), they are told to keep away and not to start their manufacturing industries in Canada.

Mr. FIELDING: I do not want to delay my hon. friend. I would prefer that he read what I said. He has hardly stated the position exactly. However, the difference is not very great and I do not want to delay him.

Mr. LALOR: I may not have given it word for word, but practically speaking, that was it.

Mr. FIELDING: No, not practically. I said that if a manufacturer was depending upon protection he would not be wise to come to Canada, because he could not rely upon its being continued.

Mr. LALOR: That is practically what I said.

Mr. FIELDING: No.

Mr. LALOR: I think so, that if the manufacturer depended upon protection he had better keep away. I say that we want to depend on protection. We want industries started in this country. We want men in Canada who have enterprise enough to start new industries, and there are a good many men in Canada who are abused by hon. gentlemen opposite who have enterprise enough to invest their money in Canadian industries. There are many men in this country who started with a very small capital, and who by their enterprise have built up manufacturing industries that are a credit to Canada. One of the great industries that I am interested in is the knitting business. We have a large institution which grew up under the Liberal policy in this country which gave us ample protection. All that we asked was that they would announce their intention of continuing that policy. Unfortunately, however, the Liberal party have now reached this position: They are afraid of the Agrarian group, who are free traders, and in order to satisfy them if they possibly can, they take the position in their speeches, at all events, in favour of low tariff or free trade. Whether they are sincere in that, I cannot say, but I doubt

very much if they are. I believe, however, that many people in Canada believe that they are insincere. They know what the Liberal party professed in this country previous to 1896, when they were preaching this kind of thing, but did not carry it out after they had got into power. They put on a tariff very much higher than the tariff of this Government. The tariff of this Government is at least 3 per cent lower than the tariff of the Liberal party. I ask hon. gentlemen opposite, if they are restored to power, would they restore the tariff. That shows how sincere they were. in power, and would our Agrarian friends support it? Our Agrarian friends who had loyally supported this Government left this side of the House when we lowered the tariff. That shows how insincere they were. I believe that the friends of the official Opposition throughout the country think that if they are returned to power they will not lower the tariff. I do not know what would happen between the two groups opposite. I do not know who would be leader, the hon. member for Prince (Mr. King), or the hon. member for Marquette (Mr. Crerar). There may be some trouble over that, but at present both parties are trying to stand upon the resolution and the policy that has been introduced by the hon. member for Shelburne and Queen's. His resolution does not mean anything. Members from Ontario and Quebec, free traders and protectionists can all stand on that resolution.

Since I have been in this House I have never heard any one in the Farmers group move a resolution in favour of their policy of low tariff and free trade. I have never heard a resolution moved by the official Opposition in this House advocating low tariff or free trade. They have not the courage to move such a resolution. The Prime Minister has dared them time and again to do it, but they have not done so. They have simply indulged in vague statements, instead of bringing in a resolution upon which one could stand.

I rose chiefly for the purpose of speaking on a matter in connection with which my name has been mentioned. I refer to the Roumanian and Greek orders. The men who have made that statement have made a statement that is absolutely unfair, and it was made for political purposes. I want to give the Farmers group credit. I do not think they have made that statement; but our friends of the official Opposition have. What are the facts? I speak of the industry I am interested in—the textile business. Samples were submitted by the Canadian manufacturers to Roumania and Greece. They themselves selected from those samples certain goods that they wanted to buy from Canada; they were a pretty low-priced goods. They sent their men over here, and they met manufacturers from every province. I say without hesitation and without fear of contradiction that no pressure or influence was brought to bear by any manufacturer to secure orders under the Roumanian or Greek loans. The manufacturers were given orders just as large as they could handle, and in some cases more. At the meeting of the manufacturers each one had the privilege of taking all the orders he could supply, and as I said before, manufacturers were there from Quebec, Montreal and every province and every place where they manufacture textile goods. Our manufacturers were busy at the time manufacturing goods for the home market, and many took orders beyond their capacity. Other firms had to take over these contracts later. We manufactured what we had contracted for, and we helped out a good many other manufacturers, but there was no pressure or influence whatever brought to bear. It was a clean, fair arrangement to everybody who wanted to take an order, regardless of what province he came from or where he made the goods. I say that it is absolutely unfair for men, solely for political purposes, to drag my name and the names of others before this House and claim that we got these orders as a favour from the Government. It was not any favour at all. The manufacturers took these orders largely from patriotic motives. Notwithstanding that we were pretty busy and could not very well take these orders, the manufacturers felt that it was their duty to take all they could because Roumania and Greece were needing these goods. It was a clean, open business affair, and no one had any favours granted him.

In concluding, I believe that protection is the proper policy for Canada. I am not an extreme protectionist, but I believe that a fair and reasonable protection is in the interests of Canada, in the interests of the farmers, and more particularly in the interests of the working people in the factories of Canada. At the present time industry is in a deplorable condition. I know what I am talking about. Conditions are so bad that some manufacturers have lost more money in the last six months than they made perhaps during the whole of the war. At a time like this, industries need

to be encouraged, and the men in those industries should not be held up to ridicule and have unfair statements made about them in this House, because no one deserves such treatment less than those engaged in the manufacturing industries of this country. Our manufacturing industries need help; they need encouragement; they need protection, and I am sorry that all of us, farmers and men in every walk of life, Liberals and Conservatives, cannot all unite upon a policy of support and encouragement to the great manufacturing industries of this country.

Mr. O. R. GOULD (Assiniboia): Mr. Speaker, the hon. member for South Oxford (Mr. Sutherland), in beginning his speech this afternoon, assured the House that he was going to be exceedingly brief, so that the leader of the Opposition (Mr. Mackenzie King) might have the floor immediately. He then proceeded to falsify that prediction, and succeeded admirably in doing so before he took his seat. In contradistinction to the hon. member, when I make the statement now that I shall be brief, I do so with the determination to live up to that assurance, not because there is not enough material to discuss, but because of the very early, or late, hour, as the case may be, and the evident desire of the House to come to a decision upon the question under consideration. That is the principal reason for my intention to be brief in the remarks I am going to make.

Now, the fact has been very patent, not only this session, but last session as well, that there is no single question which has been debated to such an extent from the Government benches as the United Grain Growers' Grain Company. That has been a favourite topic with a goodly number of hon. gentlemen opposite; in every debate of any pretensions they have introduced this subject. Well, that is really good political capital for our group, because the people who know our company best know perfectly well that the majority of the statements made in regard to that concern by hon. gentlemen on the other side of the House are biased, and are not directed in any proper or sensible spirit. We know that very well, and I would advise the Government that those gentlemen sitting on the benches behind them and supporting them, who persist in debating the merits of the United Grain Growers' Company, are a load that no Government can afford to carry. If the leaders of the Government have not had sufficient perspicacity to see that, then I am giving that first-hand information now, because I have travelled around the country considerably, and I know the sentiment of the people, and I can assure this House that the people, particularly in the western part of Canada, object to these irrational statements on the part of individuals who know little about the operations of that company. I deplore the very low level which was reached by the hon. member for Vancouver Centre (Mr. Stevens), in his contribution to the debate. The hon. gentleman's attitude is to be deprecated, and the arguments which he has advanced tonight are not worthy of the smallest man in this House, particularly in so far as his remarks had reference to the United Grain Growers. But there is one matter to which he made reference, and in regard to which I, as an individual, have more information than any other member. I have personal information on the subject in question, and had it not been for the fact that the hon. member for Vancouver resuscitated it, I had not intended to allude to the incident. Perhaps the House is already aware of the fact that I put in two weeks, excepting two days, in the electoral district of York and Sunbury, and I spent every day but one of the time I was in the constituency in the city of Fredericton, the headquarters of both organizations. I know this to be a positive fact, which neither the Prime Minister nor any other gentleman can controvert, for I heard it iterated and reiterated, on the streets of the city of Fredericton, in the committee rooms, and in every other place where men congregate to discuss public matters, that the Government and its party are canvassing absolutely on religious lines. I speak whereof I know, and I would not have referred to this matter had it not been for the efforts of the Government to make it appear that this assertion in the first place had no basis of truth. I repeat that this is the biggest issue discussed in York-Sunbury, namely the charge that the Government supporters are working on religious grounds.

2 a.m.

Now, we have listened to an address on high protection by the hon. member for Haldimand (Mr. Lalor), and we quite expected the hon. gentleman to make a speech of that nature. I do not think it is necessary for me to enter into any detailed discussion of the merits of the question. The hon. member makes the sweeping assertion that we are free traders. When my hon. friend makes that statement, he thereby gives proof positive that he has not read nor considered the platform on which we stand

Neither he, nor any other hon. gentleman can prove that we have ever stated that we are a free trade party, and yet that assertion is made throughout the country on the hustings, and also in this House, no matter how frequently nor how clearly it is refuted. In a few words, I would say that we demand that those who wish protection shall come before a tribunal of the House and show reasons why they should have it; and that is a most logical position in regard to the tariff. With that sentiment, I will leave any further reply to the statements made by the hon. member for Haldimand.

I rose for the purpose, if possible, at this late hour, of introducing some new material into the debate. Ever since I have come to the House, I have been quite in sympathy with the Minister of Finance in the great task with which he is charged, of raising money wherewith to administer the affairs of the country; but it seems to me that the minister himself is not sympathetic with those who would help him. He apparently has no desire to accept advice from those who tender it from this side of the House, and his cold attitude towards the sincere intentions of hon. members who would lend him some assistance cannot but be regarded as evidence of an improper spirit. Now, I wish to state that I am always proud to say a word for the big organizations of the West, the big agrarian organizations. Some time ago the Saskatchewan Grain Growers' Association asked the Canadian Council of Agriculture to gather first-hand information pending the day when bank legislation would be introduced so that such information could be available for the use of those who might frame that legislation. The idea was borne of a desire to help the Government, but we find that when the Minister of Finance proceeds to get information he does not go to any of these organizations. Now, I am actuated to-night by a desire to suggest to the minister some new avenues whereby money can be raised for the country. My sole desire is to suggest ways and means whereby the Minister of Finance may raise more revenue and tax some sources of wealth so far untaxed or, if taxed, not taxed to their capacity. I wish to refer, then, to our large banking institutions. Now, the banking institutions of this country, like those of other civilized countries, hold valuable franchises granted by the Government not only for the purpose of handling the moneys of the country, but for extending credits. It is a very valuable thing, a great consideration, to any group of individuals to be granted such a privilege and power. By that power they can extend or curtail expansion, and as a result depress certain industries if they so desire. It seems to me, Sir, that our banking institutions in Canada have not had the right view in respect to commercial and agricultural enterprises. It seems to me that their desire has been to extend credits more quickly to commercial enterprises than they have to agricultural pursuits. I cite the following as an illustration: When we wish to market our wheat in the West, or when, late in the season, it is our desire to prepare the soil for the next season an individual may go to the banks and say "I would like to ask for a loan to permit me to get my land in better shape for my crop of next year. I have so many thousand bushels of wheat threshed and in my bins on the farm and I would like an advance to finance myself until the cold weather comes when I can haul my wheat." Immediately the banking institutions will say "No, we do not extend credit in the case of wheat." But what happens? The moment you take that wheat and put it in the elevators the same banks that in the first instance refused the farmer credit, extend a credit to the concern which probably has put up a $5,000 or $7,000 building at that point although they had denied it to the agriculturist. That goes on all over Western Canada; I believe it to be the case in the east, wherever commodities are handled in large quantities and big sums of money are required. I quote that in substantiation of the statement I made that the viewpoint of the banking institutions of Canada is not as favourable to agriculture as it is to other industries. Of course those other industries may have two or three turn-overs in the course of a year, and that may be one of the reasons for the bank's policy towards them. But in the final analysis I am convinced, and I think all other hon. gentlemen are also, that agriculture is the surest source of wealth in Canada. Now we have a Government that does not seem to want to intervene in behalf of agriculture in that respect; I believe there is something lacking there. I believe that agriculture should demand that the influence of the Government should be used to see that equality prevails in the establishment of credits to commercial and agricultural enterprises alike.

I now wish to deal with the question of taxation. The axiom we should follow is

that those best able to bear taxation should pay it; and I believe that if we look into this matter closely we will come to the conclusion that the large banking institutions of Canada are not contributing as large a proportion to the taxes as the franchise extended to them by the Government warrants, although they are in better shape financially than other sections of the community. The statement issued with respect to the chartered banks of Canada up to March 31, is before me and a perusal of it would lead one to believe that these large institutions are concealing the value of their assets. I will give an example of what I mean, and because I use the names of certain banks I would not have the inference drawn that it is from any desire to discredit those particular institutions—I believe the same conditions prevail in all our banks. In the case of any business corporation it will be admitted that when in large urban centres a central site is chosen and expensive buildings erected thereon, the value of the land and buildings is not stationary, but an increase in value follows. That does not appear to be the case in the bank statement; no matter for what length of time a bank occupies a site it continues to send to the Government only the initial price paid for that land and the buildings erected upon it. For example, take the Royal Bank—which is considered one of the strongest if not the strongest bank in the Dominion at the present time. The figures for that institution are as follows:

Total assets	$543,748,151
Total Liability	501,340,235
Assets over Liabilities	$ 42,407,916
Value of premises	9,705,809

All hon. gentlemen who are familiar with large urban centres where the Royal Bank holds valuable property will realize that the price given in those figures is a very low estimate of the value of the sites and buildings which they possess. Now take the Bank of Montreal:

Total assets	$528,101,391
Total liabilities	476,899,937
Assets over liabilities	$ 51,201,454
Value of premises	5,550,000

The same condition obtains with respect to the Bank of Commerce, the Bank of Hamilton, the Imperial Bank and all the other banks. Now here is the comparison I wish to make: In the West we have the small city of Weyburn with a population of not more than 8,000. In that city there is a bank known as the Weyburn Security Bank, which has fifteen small branches located throughout the West. Many of these branches are established in villages, none of them in large populous centres and yet we find the figures sent in by the Weyburn Security Bank are $203,515 for fifteen branches, or an average value of $13,567. The initial price, or at least the price per site, of the Merchants Bank is $10,388, a less amount per site than that given by the little Weyburn Security Bank in the West. The Merchants Bank has its headquarters in a city which boasts a population of 750,000 and yet its average price is given as $3,250 less than the average site of the Weyburn Security Bank, located in many instances in places not having a larger population than 250. Something is wrong also when the Royal Bank shows a valuation of only $26 per site more than the little bank referred to. If it is a fact that these banking institutions are not sending in proper returns to the Government they should be obliged to live up to the law; otherwise what is the good of sending in the returns at all? If an organization or an individual were to go to the directors of the Bank of Montreal and ask them for the value of their buildings and sites they would probably place it at $50,500,000 rather than $5,550,000. If they have received profits of that nature from valuable franchises of the Dominion Government, I believe it is only right that investigation should be made so that they may be called upon to pay their fair share of the taxation of the country. There must be some reason why the returns are sent in in that manner.

Another illustration that I would give refers to land taxation. In our western country, and I believe in all the other provinces, we have the evil known as the land speculator, but particularly in the West, while even down in the province of New Brunswick I have heard complaints that the evil is prevalent and lands are being held out of use. In the part of the country in which my home is, when I went in there speculators, largely from the United States, held lands that they had purchased at from $1.50 to $3 an acre. Those lands at that time were not worth any more perhaps, but those speculators came in and bought them in sections, half townships and townships, and as the homesteads around were taken up and my neighbour and I—I use this

only as illustrative of what happened—made those vacant lands valuable, those speculators were able to sell at an increase in some instances as high as 1,500 per cent. I maintained in the first address I made in this House that that unearned increment is one of the means whereby this Government should receive taxation. What happens? Our big speculators come in from the United States and for an outlay of a few thousand dollars get in return hundreds of thousands of dollars, which they take back with them, and our Government stands aside and lets them do so. The State has created that wealth, and a portion of it should be taken for administering the affairs of the State. I think it is only logical and just that in Canada or in any other country where such conditions prevail the Government should step in and appropriate a certain portion of that unearned increment.

I read in the book which was quoted by the hon. member for Brantford (Mr. Cockshutt) yesterday as an authority that agriculture every year loses approximately $125,000,000 because of destruction caused by vermin and insect pests. That is an enormous amount of money, and these large vacant areas are largely responsible. as any hon. gentleman who has lived in the West knows to be the fact, these large vacant areas are the breeding grounds of all the vermin and insect pests that prey upon our field crops. And those large vacant areas work this further hardship, that neighbours are a mile farther apart and have farther to go to church and to market; yet the settlers have to pay the taxes for the local improvements that enhance the value of these lands held by speculators. Every statement I make is applicable to the lands of the Canadian Pacific Railway and of its subsidiary companies. I think my suggestion can be worked out, and I am confident that the people of Canada will endorse a policy that will ensure a fair proportion of this unearned increment being appropriated for the use of the State. The taxation of these lands is a policy that we of the western provinces have to resort to simply because we have not any natural resources to fall back upon. We have been obliged for the purposes of provincial revenues to devise ways and means whereby taxes could be raised, and we have imposed a tax upon these people. Still they do not yet pay their fair proportion of the taxes. The residents have to pay the federal, provincial and municipal taxes, and now a sales tax is imposed, which increases the federal levy; but these speculators, who mostly live outside of Canada, escape the majority of these taxes, and pay no federal tax for the use of the land or for any unearned increment. I maintain that the federal authorities should oblige those speculators to leave a fair share of that unearned increment in this country, either in the form of straight taxes or of a substantial portion of the large profits they receive as a result of the enhanced prices of their land due to the efforts of the people in the community.

During the last ten or twelve years the provincial and federal governments have got much of their advice through commissions, but it is my opinion that the day of commissions is pretty nearly past. What Canada needs at the present time is appraisers to go out and value the assets of the country—the assets of great institutions, to ascertain if they are paying their fair and equitable share of taxation. In the case of the civil servants here in Ottawa their Pay Sheets are taken as the basis for computing the taxes they shall pay. They are made of the same clay as the people interested in these large institutions, and the Government should be big enough to have men go out and place a value on them, so that they may be taxed as thoroughly as the civil servant. One should be treated the same as the other. I maintain that if appraisers are put on and institutions can show they are paying a fair share of taxation they will not suffer; but when men connected with those institutions decry the appointment of appraisers, that immediately raises a doubt in my mind as to whether they are really paying their fair and equitable share of taxation, because if they are they would have nothing to fear.

Mr. LALOR: They would be delighted to have an investigation and to pay their share of the taxes.

Mr. GOULD: I would point out to my hon. friend from Haldimand (Mr. Lalor) that that is one of the planks in the platform of the Agrarian party, and I am pleased to know that he supports that plank. Despite all the lamentations over this platform, I find in the majority of cases wherever I have been speaking, whether here, in the country or on the floor of this House, invariably some plank in that platform is brought up which some one will endorse.

Now, on a number of platforms in the West preceding this session when being asked by members of my audience about the proposed tariff commission, I made this assertion—I do not wish to say this as endeavouring to prove that I am a prophet, for I am not, neither am I a descendant of a race of prophets—and it will be borne out, I believe, that all the tariff commission would amount to would be to fulfill the promise the Government had made to hold an inquiry, but that the evidence collected would be pigeon-holed. Such we find to be the case to-day. The people have demanded that the promises of the Government should be implemented to the fullest extent, and that following the work of that commission legislation should be brought before this House. We would like to know what the sentiment of the Government is in the matter of tariff revision, whether up or down. Just the bald statement that the Government stand for a protective platform is not good enough. The people demand from the Government, just as the Government have been demanding of the Opposition, a definite declaration — they want to know whether the revision is going to be up or down.

Mr. DAVIDSON: Will my hon. friend be good enough to tell me whether he accepts the policy of the Canadian Council of Agriculture to the effect that the British preference should be increased to fifty per cent and that free trade should be completed in this country inside of five years?

Mr. GOULD: I am not sure whether the hon. gentleman is the same gentleman who asked that question yesterday.

Mr. DAVIDSON: A new seeker after truth.

Mr. GOULD: I have no hesitation in saying that that is our policy. I am not prepared to accept the view expressed by the hon. member for Brantford that if we were to have free trade with Great Britain it would mean free trade with the whole world. We have a British preference at this time, but it does not affect the tariff in relation to other countries. In my humble opinion, it is absurd to say that if we have freedom of trade with Great Britain it must necessarily follow that we shall have free trade with the whole world.

The hon. member for Brantford asserted also that the policy as outlined by the hon. member for Marquette, my honoured leader, would be destructive to the interests of the workingman of Canada; that our policy as laid down in the platform of the Canadian Council of Agriculture would work havoc and ruin to the workingman as well as to the industries of Canada. Well, it was a case of simply making assertions without offering proof. Why the policy to which the hon. member for Brantford gives allegiance has already proved itself to be a failure. Take the case of Toronto, with the 20,000 men clamouring for bread; surely that in itself is condemnation of the present system. In a land in which the resources are so great and the agricultural possibilities so abundant, is there any reason why we should have starvation?

Mr. MYERS: Will the hon. gentleman tell me how many are employed in free trade Britain?

Mr. GOULD: I am not prepared to give the figures, but when coal strikes are on and other economic disturbances prevail, figures do not prove anything in any case. We do know, however, that Britain is recovering much more readily from her huge war debt than Canada is, and that may count for something.

I was making some reference to the sentiments expressed by the hon. member for Brantford. I believe that he asserted that the value of the exports of manufactured goods was in excess of the value of exports of agriculture. I asked the hon. gentleman at that time if it was not a fact that, taking say 5 bushels of wheat at a value of $1.50 a bushel, or $7.50, entering into the manufacture of a barrel of flour valued at $12—the only value coming under the head of manufacture being $4.50—I asked whether the whole value of the product $12 had not been credited to manufacture instead of only $4.50. Any computation on that basis would be quite unfair. If in such cases the price of the natural product were deducted from the value of the manufactured product, it would be found that the value of manufactured products exported does not compare with the value of the products of the farm, and the difference would be even greater if you added the products of the mines, the fisheries and the forests. The natural products of Canada are the wealth of Canada upon which the national debt rests and by and through which the national debt must be paid.

As a further illustration, take the case of hides. I have before me a letter written by my brother-in-law in which he asks

me if another brother-in-law had said anything to me about beef hides. He shipped to Brandon six hides and he got one cent a pound for them. After he had paid the express on these six beef hides he had $1.35 left—and Brandon is about 130 miles distant from his home. They say that every cloud has a silver lining. Well, the only silver lining I can see in this case is that if he is called upon to pay income tax next year it will not be very heavy. Six cow hides—and one dollar toward the price of a pair of shoes! You could load up a team with beef hides and you would not get enough from the sale of them to pay for the harness with which the load was drawn. That is agriculture, and if my hon. friend from Brantford wishes to take that as an illustration; if he takes the value of the hide when made into leather and into shoes and counts that as manufacture, and then asks the people of this House to believe that the value of manufactures exceeds the value of agricultural products, then I say that it is an enormity, an illustration used simply for the purposes of argument.

The Minister of Militia (Mr. Guthrie) has also done his best to make it appear throughout the country that this United Farmers' Organization is a very vicious institution. Likewise, the member for Brantford would make it appear that it was not a fact that the manufacturers of Canada had refused to sell to the United Grain Growers. Now, I happen to be a shareholder in that organization; I am proud to say that I was a shareholder in it when it was first started. This company has been doing my business; I am satisfied with the manner in which they are doing it, and that being the case I do not see that it is anybody else's business. The very fact that this company does a large volume of business proves that the people for whom they do business are satisfied with them.

The Minister of Militia, speaking in York or some place near Toronto, said that we were disloyal in not buying Canadian made implements. The privilege had been denied us at the time at which he spoke, but in the House he made reference to it, and we tried to give the hon. gentleman the evidence, possibly thinking that he did not have the full facts. But he said: "I do not wish to be interrupted." I do not know whether the hon. gentleman's sentiments are influenced by the signs which have been placed up by the Canadian Manufacturers, on one side: "Buy made-in-Canada goods," and on the other: "Where will the revenue come from?" I read in the Estimates of the hon. gentleman's own department: "Customs duties on all imported stores and clothing, including material for the manufacture of ammunition, $40,000"—and this is the hon. gentleman who charges the farmers with being unpatriotic. Last year the item on this account was $50,000. Now why does the hon. gentleman go about the country trying to create prejudices, trying to make it appear that the farmers in the West, who were forced into this business in order to protect themselves from the avarice of financial institutions, are not acting properly, when the hon. gentleman himself was far more guilty of the very thing of which he charged us? But I wish to have it stated in Hansard that too much of this stuff is spoken, not in sincerity, but only on account of political prejudices, with a desire to make political capital. The people of the Dominion are anxiously looking for men who will speak in accordance with principles in which they believe and on which they act. That is, at least, what I am trying to do. I speak from a principle, and I have not yet reached the political stage where I would lose my sincerity to such an extent that I would try to take cheap political party advantage of hon. gentlemen. That is beneath me, and, I believe it is beneath the policy of the group which I have the honour to represent.

Just a few words in closing. The minister rose to a very high tone in his closing remarks when he asked for the unity of the people of Canada. When he went to the manufacturers' associations, retail merchants' associations, Credit Men's associations and so on for advice, they advised him to discard the luxury and other taxes and to impose a sales tax. I wish to point out that the labouring man, the man who works in the mine or on the railway or on the farm, wears out more clothes and shoes than hon. gentlemen sitting in this chamber, and the result will be that the sales tax will bear more heavily on those individuals, while the individuals who have a right and can afford to pay taxes on luxuries, are exempt. Had the minister gone to the Canadian Council of Agriculture, he would at least have heard the other side of the story and it is only fair to the great masses of the people of Canada that the minister, in his desire, which was, perhaps, an earnest one, to get first hand information and advice, should have gone to all classes representative of the people of

the Dominion to ask for that advice. If, perchance, the minister has an opportunity another year of asking for advice for the purposes of Government, I would advise him to go to that great organization, because we believe, and we have a right to believe, that we have in that great organization in the West, the Canadian Council of Agriculture, a body of men and women who are the equals intellectually of men and women in any other organization in this Dominion. But in all cases they have been despised and ignored by this Government, because they are the appointees of the plain people who think of these economic questions so much. When these people elect these men to do those things for them and this Government, sitting in high places, spurns and despises the advice which they give, not in a partisan spirit, these people have a right, perhaps, to repeat the sentiments that are sometimes sent out that this Government is representative only of the big interests of the Dominion of Canada. Not until all the people of Canada shall be taken into consideration, will faith again permeate the body politic. The minister asks for it in high tones; but he has not established a precedent himself, and I say, not in any spirit of antagonism, but in a desire to suggest something of the errors into which the Government has fallen and means whereby it can redeem itself largely in the eyes of the people, that it should not ignore the request of the plain people, but should lend a sympathetic ear, because they are just as capable and wise as those belonging to other organizations, and in many cases they seem to be used only as the dromedaries of taxation. The people object to that.

Mr. SEGUIN (L'Assomption and Montcalm): (Translation.) Mr. Speaker, if I rise at this stage of the debate, be assured that I do not intend to put forth new arguments to condemn as it should be condemned the policy of the present Administration; but as I occupy a seat in this Parliament in order to represent my constituents, I think it is my duty to express my most emphatic disapproval of the manner public business is administered by this Government. After having given us a real dance of the millions, after having completely destroyed Canadian credit by their extravagant expenditure, after having lead us to the very door of bankruptcy, our present administrators cannot find any other remedy to-day to help us out of the predicament in which they have placed us, than to impose new taxes. Instead of practising the strictest economy, the present Government distribute gold by the handful, provided some of their friends are there to receive the lion's share.

These gentlemen talk of economy and of a wise administration of the public treasure only when it is proposed to assist some public undertaking, however meritorious, in the province of Quebec. If you ask these gentlemen to vote moneys for a post office, for the establishment of experimental farms or other similar works required in one of our counties, the answer is ever ready: "The treasury is empty"; but, should the proposal be to build a railway, or ships, or to increase the militia, oh! then, there is no hesitation in taking money out of the treasury and the debt continues to increase, to the despair of al true patriots.

While listening to the speeches delivered, during the course of this debate, by the hon. minister of Finance (Sir Henry Drayton), by the right hon. Prime minister (Mr. Meighen), and by several others, one wonders if these gentlemen have not gone out of their minds. Instead of admitting that the State treasury is quite empty, that there is a large increase of our indebtedness at the end of each fiscal year, the present Government cry as loudly as possible that everything is all right and they continue cramming their friends.

The so-called tariff commission went travelling through the country during several months, and with a semblance of seriousness, they gathered the information as well as the suggestions which were available. Considering all these preparations, the electors throughout the country, were entitled to a revision of the tariff in view of improving present conditions.

Even the people in the rural districts were allured by the deceitful management of our Government leaders, and to mention a case with which I am well acquainted, and which I have taken especially to heart, I may refer to that of my friends, the tobacco growers of my district. Their situation is one of the most critical; some of them have yet on hand their tobacco harvest of 1919 and 1920, it is no unusual occurrence to meet farmers in my county who have a thousand, five thousand, ten thousand and even twenty thousand pounds of tobacco for sale and who are offered only ridiculously low prices. Yet, the hon. Minister of Finance has invited them to meet him in Montreal and even in Ottawa. They have explained to him the critical situation in

which they are placed, they have suggested to him remedies for their troubles. They had a right to expect that he would take their case into consideration and that something would be done to improve their fate; they had awaited the Budget with anxiety, and now they have been completely ignored by the Minister of Finance who evidently wishes to irritate them by depriving them of all hope for relief. In behalf of all these worthy farmers of whom advantage is being taken, in behalf of my good friends the tobacco growers of l'Assomption and Montcalm, I wish this evening to place on record my protest against the lack of protection given by the present Government to the interests of the agricultural class, and in behalf of the latter, I wish to repeat to my hon. friend the requests which I made when I submitted to him the representations made by the tobacco growers, in my county, and I would ask him to submit to the House, before the end of the session and without further delay, a measure to which I extend my support in advance, though it be on a protective basis because I declare myself for anything which may protect the farmer and the tobacco grower.

Such a measure should include the following provisions which sum up the fair claims of the tobacco growers of the country, that is to say:

I. Increase the duty to one dollar a pound on foreign tobacco, unstripped, and to one dollar and fifty cents on foreign tobacco, stripped.

II. Make compulsory the destruction of the ribs stripped from the tobacco leaves, as required previous to 1917.

III. Allow the producer to keep, for his personal use, at least thirty-five pounds of leaf tobacco or other tobacco; give the same permission for each of his sons and his male servants.

IV. Dispense growers of the requirement of securing a yearly permit and abolish the five cent duty per pound imposed on leaf tobacco, and if there must be a permit and a duty, to facilitate the collection of same by establishing an office to that effect in the post office of every locality where tobacco is being grown.

May I hope, Mr. Speaker, that the Minister of Finance will hear this appeal in the name of my electors? I entertain serious doubts in this respect. Nevertheless, it would show that really the minister is anxious to be fair towards the farmers of this country.

The hon. Minister of Finance and the Government of the day have heretofore failed to implement their pledge to those who relied on the long advertised revision of the tariff. They have particularly omitted to procure relief to my good friends, the tobacco growers of l'Assomption and Montcalm; moreover, as I have not the least confidence in this Government of profiteers, I shall gladly vote against the motion of the Minister of Finance, giving my full support to the hon. member for Shelburne and Queen's (Mr. Fielding).

Mr. D. A. LAFORTUNE (Jacques-Cartier): (Translation). Mr. Speaker, I feel rather embarrassed in addressing the House after all those splendid speeches. The hon. members on both sides, have spoken admirably on the subject of the Budget, and it so happens that, at two o'clock in the morning I am obliged to make a few remarks in all fairness to my electors. May I ask my hon. colleague to grant me their attention for a few minutes?

Mr. McMASTER: (Translation). Hear, hear.

Mr. LAFORTUNE: (Translation.) When one is in business, Mr. Speaker, it is necessary at times to take stock. Merchants, manufacturers, business men and even to professional men examine the state of their business every year, and this is what I mean to do this evening, as a politician.

I have seen many a thing in my time—unfortunately I am getting old. When hon. Mr. Mackenzie came to power, and this is a long time ago, I was a young man, yet I was interested in politics. He came to power in 1874, and administered public affairs until 1878. He was a free-trader. He was an honest man, a man of strong principles. No one ever doubted the sincerity of the late Hon. Mr. Mackenzie. Amongst other important things which he did, was the institution of the Supreme Court. He gave the people the ballot system, he continued the construction of railways which had been begun. We had just had the amazing scandal, the Pacific scandal, and I remember well the words of the Conservative leader of the time: "These hands are clean." He spoke the truth. The late Sir John Macdonald, an honest man, a most distinguished politician, had not taken any part in this extraordinary scandal, this colossal scandal, for which his friends were responsible. One had received a large amount, another had received a smaller one; there were quite a few whose hands were not clean. That is why Sir John Macdonald de-

cared: "My hands are clean." And I believe it was true. The hon. Mr. Mackenzie assumed the duties of office and performed these until 1878. He was a free-trader, and decidedly so. The people did not approve of his administration. Sir John Macdonald, who was cunning, took advantage of the situation to ask for protection; the national policy which he had always refused to give. He had been a free-trader at first, but seeing that his opponent was also a free-trader, he said to himself: This may help me in getting into power, I am going to declare myself a protectionist. He won the elections with a large majority, assumed power and governed until his death, in 1891. He was replaced by Sir John Abbott, a distinguished lawyer from Montreal, and one that held a high reputation, an honest man who did not live very long. He did not have time to do much. He was succeeded by Sir John Thompson, who was a Catholic; and who kept the reins of power until his death which occurred in England. Great Britain furnished the ship which brought his body home to Canada. On the ship's arrival at Halifax, there was another scandal and a very extraordinary one. I remember taking part in elections at that time when we were speaking of the famous scandal which had occurred on the occasion of the death of Sir John Thompson. The friends of the deceased managed to spend a considerable amount of money for his funeral. The pall bearers were given each a new pair of shoes, worth fifteen dollars and a silk hat. Generally, when you go to a funeral, before leaving your house you take your hat along with you, and you do not expect a new hat to be given to you at the deceased's house, on that occasion, you had to wear a new silk hat. Usually you give a pair of gloves to each one of the pall bearers; but this time you required twelve pairs, for each pall bearer. There were roses also. Well, it is the custom to give roses to newly-wed couples, but on the occasion of a funeral, you usually give a wreath or a few flowers. At any rate, they spent $2,000 worth of flowers for this funeral, the total cost of which amounted to $12,500. When we told the people that they had spent that much for a funeral, they would not believe it; we had to bring them the Hansard and let them read the evidence thus brought out; then they realized that we were telling the truth. So much said for the funeral of Sir John Thompson. He was succeeded by Sir Mackenzie Bowell, who was an honest man.

Mr. FONTAINE: (Translation.) He was not a Catholic.

Mr. LAFORTUNE: (Translation.) No, he was not a Catholic, but he was a gentleman and an honest man. He, however did not like his associates. I remember the statement he made: "I am tired, I don't know where to go, I am living in a nest of traitors." A nest of traitors! That is what the late Sir Mackenzie Bowell actually said. In April 1896, he handed the Government over to Sir Charles Tupper. He too, was a gentleman, but he was unlucky. He started on his campaign, preaching the conservative doctrine throughout the country, until he received his fatal blow in Regina, when he said to the people of that city: "Is it possible that you would prefer a French Catholic to an English Protestant"? That spread throughout the country and the Province of Quebec did not forget it. It had a good result. At the last meeting held in Summerlea, which I attended, I remember Mr. C. A. Geoffrion, a well known lawyer of Montreal, saying at a dinner, at the home of Mr. Robert Bickerdike: "Do you know that the election is taking place to-morrow?" That was on the evening of June 23rd. Mr. Bickerdike had invited us to have a cup of coffee at his cottage. It was the last meeting of the campaign. Mr. Geoffrion said: "Will you tell us, Wilfrid, what you think about the election that is to be held to-morrow". And Mr. Laurier replied: "I have no objection". Then he rose from his seat and said: "I have just returned from an extensive tour of the province of Ontario, and I am full of confidence; I have travelled throughout the Maritime Provinces and I feel the same confidence. I have gone everywhere, and all that I ask of my fellow citizens of Quebec is that they give me only half of the votes of their Province". Had this happened, he would have been defeated. He had confidence in the Province of Ontario and in the Maritime Provinces, but he had not much confidence in the Province of Quebec. The next evening June 23rd, on the eve of St. Jean Baptiste Day—not that of Mr. Gauthier, but the real St. Jean Baptiste Day—instead of splitting the vote, we had a majority of 31 in the Province of Quebec and that brought him to power.

Mr. Laurier formed a Government in 1896. We know all about the elections which were held in that year. In 1900, a complete victory, again in 1904, and in 1908, then in 1911, he was defeated on two

questions, the navy and a certain reciprocity which he wanted for his country.

I remember at that time, that there was a man, a very thoughtful, hard worker and good debater, who, acting in good faith, I believe, undertook to defeat Sir Wilfrid Laurier. I refer to the Nationalist leader, Mr. Bourassa. He went all over the country and the Province of Quebec, claiming that a navy would be disastrous. I shall never forget that he came in my own riding of Montcalm to denounce the navy, to curse the navy. "The children and grandchildren of the members who voted in favour of that navy will curse the name of their ancestor". I assured you that I looked him straight in the eyes and told him: "Why, you Bourassa, on whose authorization would you have my children curse me? You tell my children to curse their father because I voted according to my conscience, according to my chief, listening to the voice of a chief in whom I had full confidence and, as a reward you tell my children: "Curse your father" I added: "When my children will kneel on my tombstone, they shall drop a tear, but shall not curse me" What authority have you to give such advice to my children? I can tell you he had a pretty hard time of it. I am not going to repeat what I told him, but he won't forget it for some time ot come.

As regards reciprocity I remember that the hon. members sitting opposite and who were sitting on this side (left) at that time used to say: "why, an agreement with the United States means annexation!" Everywhere we went they would say that granting the partial reciprocity agreement prepared by Messrs. Fielding and Patterson after their trip to the White House meant annexation. They shouted that so often that the people were convinced by it and poor Laurier was defeated on the issue of reciprocity and the navy. I assure you that we had lots of trouble in regard to the Niobe and the Rainbow which Laurier had bought. I can assure you, Mr. Speaker, that is was no fun listening to Mr. Bourassa and his friends, and the Conservatives with them, abusing the Rainbow and the Niobe. It was one of the worst scandals one could imagine and that a political party could be guilty of. "Men of war, mad must be any one who thinks war is near, and must also be crazy who thinks that there is any such danger and that it is necessary to prepare."

This is what the nationalist leader said at the time. He succeeded. Mr. Bourassa is no ordinary man. I can warrant you that there is not a man in the country as capable of rousing the people as he can and which he did at that time. He used to say to the fathers and mothers of families that their children would be strangled, murdered, cut into small pieces should they participate in the war which was going to take place. He said that Mr. Laurier bought men of war for England, as if England was in need of Canada to maintain her supremacy and the glory of her name. It was foolish to pretend that England was in need of the colonies to keep up her position in regard to other nations of the world. Mr. Bourassa thus spoke, the people were convinced and Mr. Laurier was defeated. As regards to reciprocity, I remember that hon. Mr. Monk, a gentleman and a good speaker representing the riding I am now representing—said in this House: "Let well enough alone". Those were the men who used to shout that Laurier was ruling the country. Whenever Mr. Laurier wanted to improve anything, they said "Let well enough alone" Well do I remember what Mr. Laurier answered. "This is a doubtful compliment you pay me. After stating that I could not properly administer the country you say "let well enough alone" when I want to do something." Reciprocity was rejected and so was the navy. Mr. Laurier was defeated. Those gentlemen are in power and will remain there until further notice.

Mr. Speaker, when we used to go through the province of Quebec, we were told. "Liberals are thieves, they have stolen our platform, the Conservatives party's platform" Then we said: "That is true, but why could not you succeed with that same platform? You had the same platform, you say, but instead of deficits you had we are getting surpluses?" But, of course, the hon, member for Shelburne and Queen's was there. At that time he was called the watch-dog of the Liberal party. He was there to keep everything tidy, spick and span. There were no more rats in the ship of State. Mr. Laurier had the upper hand, the latter had no match. He had enlisted as lieutenants the premiers of the provinces, the most worthy men: Sir Oliver Mowat, Hon. Mr. Davies, Hon. Mr. Fielding, all Premiers in their own province. Some of his friends did not relish this. I remember that some of his Liberal friends like Messrs. Langelier, Geoffrion, Beausoleil, Préfontaine felt rather sore when outsiders were taken in. But Mr. Laurier was there. He selected such

men as Mr. Joly, once premier of the province of Quebec. He gathered the Prime Ministers from every province and thus formed a very strong cabinet.

For the Department of Agriculture, he chose a most practical man, Hon. Mr. Fisher, who died recently. He was a man of great experience. He knew the difference between a duck and a goose. The former Minister of Agriculture, Mr. Montague, coming to a farm-yard one day, said to the farmer's wife: "Madame, what a fine goose you have there!" "Sir," she replied, "this is not a goose, it is a duck." He did not know the difference between a goose and a duck. Mr. Fisher knew better. With men of such worth, well-known men of high reputation, in Sir Wilfrid's Laurier's Cabinet, not the first year, because there was a small deficit, but each subsequent year, there was a great surplus at the end of the fiscal year, whilst the other gentlemen, the previous administrators, had deficits, and large deficits, Mr. Speaker, this proves what men of worth, talent and integrity Sir Wilfrid Laurier and his colleagues were; they administered the country wisely, prudently, rightly, and with the greatest success.

The Hon. Mr. Mackenzie was somewhat obstinate; he was a Scotchman. He was advised by friends, at that time, to change the tariff, but he did not want to do so. He was a free trader, and held firm to his principles. That brought his defeat. Sometimes I hear hon. members on the Government side trying to recall the past in order to prove that Sir Wilfrid Laurier and his friends were free traders; but, these gentlemen are only quoting things that happened before Laurier came to power. They quote Sir Richard Cartwright, he was a free trader. Some of his friends were free traders, but Sir Wilfrid always refused to adopt that policy. He adopted the policy of the hon. member for Shelburne and Queen's (Mr. Fielding) which was of a happy medium, and that policy is mine also. I regret not being able to follow the arguments which our hon. friends on the ministerial side are trying to bring forward, but I prefer adopting the same argument as the hon. leader of the Opposition (Mr. Mackenzie King) whom I trust. I listened to him to-day with great pride. There were several candidates at the large convention. We struggled hard before we made our choice. Hon. Mr. Graham was one of the candidates, there was the hon. member for Shelburne and Queens, he is not a first-

comer, he is an extraordinary man; we had the leader of the Opposition who was chosen in preference to all; neither is the hon. member for Cape Breton (Mr. McKenzie) a first-comer, and he also was there; but we needed a leader in Parliament, we could not have a family of leaders, we had to choose one only, and I think we chose the best. The hon. member for Shelburne and Queen's is here, he has shown what he could do during fifteen years, and we want him for our Minister of Finance at the first opportunity. I assure you that it is not an easy matter to get millions from the hon. member. He was very strict. His friends thought so, because he did not unfasten the purse-strings very readily. One wants unreasonable things sometimes, and asks for them just the same, then, sulks and murmurs when it is impossible to obtain what has been asked; but, I assure you that one must be careful with the hon. member for Shelburne and Queen's; one must be there early to get something; but let us honour him for that, honour is due to this method of managing the public funds. He has proven his worth, he is highly reputed as a financial man, and we want him to continue the work he has started with such success.

When Sir Wilfrid came into power and the hon. member for Shelburne and Queen's had given us the tariff, manufactures were built as if by magic. My county is a manufacturing county, it is the county of Jacques-Cartier. There are several manufactures in the county of Jacques-Cartier, and they were all prosperous; industries were most prosperous during Sir Wilfrid Laurier's and the hon. member for Shelburne and Queen's time. Manufactures rose amongst us as quickly as mushrooms. In less time than it takes to say it, a big chimney, a large manufacture was built; and, Mr. Speaker, were you to visit the county of Jacques-Cartier and see what is being done at Sainte Anne, Point Claire, Dixie, Valois, Lachine, Dorval, St. Pierre-aux-Liens, Côte Saint Paul, Emard, Saint Gabriel, you would be most astonished to see the great number of manufactures that have been erected in that district.

Then you go to Cartierville, you come to Saint-Laurent, to park Amherst, to Bordeaux; manufactures and very prosperous manufacturers. And if ever the hon. member for Prince, who is our leader, wanted to adopt a policy capable of hurting these industries, I would vote against him. But there is no danger; he is of the good school.

He attended the school of Sir Wilfrid Laurier, the school of the hon. member for Shelburne and Queen's, that is enough. I am certain he will never swerve from the proper course, from the golden mean, which would permit success to the manufacturer and give the working class, the artisan, the workman, bread for their families. I am certain he will never swerve from that course, should he try to do so, D. A. Lafortune, member for Jacques-Cartier, would be against him. But no danger of that.

The agricultural class was most prosperous during the fifteen years of the last Administration—Sir Wilfrid Laurier knew its needs, and his followers knew what their electors needed. As for myself, I have lived in the country for the last thirty-five years, cultivating farms at Saint-Laurent, and under the Liberal Administration I have been proud and happy; but since the fall of Sir Wilfrid and his friends, distress, want prevail. In former time, the name of Sir Wilfrid Laurier meant prosperity; that of the hon. member for King's (Sir Robert Borden) and his successor spelt wretchedness. They had the same tariff, they had the same elements to deal with; but the boss was not the same. He had promised to settle the burning school question which Sir John A. Macdonald, Sir MacKenzie Bowell, Sir Charles Tupper, Sir John Thompson, all the Conservative leaders that are no more, had promised, but failed to settle. Mr. Laurier succeeded to settle this question, not completely, but to the satisfaction of the episcopate, to the satisfaction of His Holiness Leo XIII, who said to the faithful—I advise you to accept this settlement, it is not complete; I would have desired to see it more satisfactory to the Catholics, but under the circumstances, accept what is given and pray God you may obtain the rest.

This question has dissappeared from the field of discussion. All are content, and I pay my tribute to the Canadian clergy for having, by their acceptance of that settlement, put an end to the then existing trouble. Since that day, there is no hell for the Liberals, we do not hear any more that the heavens are blue, that hell is red (the colours of the two parties of that day), and the clergy has done justice to us in putting us on an equal footing. Those days are ended.

I remember going once into a church, in the district of Three-Rivers. The parish priest ascended the pulpit and said: "My children, be careful, there are Liberals today in the village, in the parish; do not listen to them, listen to your priest. You know that hell is red, and that heaven is blue." I need not tell you that we left the church not over-pleased for having been treated in that way. We were going there to do our duty, to preach peace, concord, to make known the policy of the Liberal party; we were not expecting such treatment. But, all credit to the clergy now! Those things are of the past. Now, the Liberals are treated like the Conservatives and vice versa. We have nothing to complain of.

It had been said that contracts would be given to the lowest tenderers, and Sir Wilfrid, jealous of his word, had a law passed providing that for all cases of contracts of over $5,000, tenders should be invited, and that all such should be given to the lowest bidder. When you see the hon. Minister of Marine giving $78,000,000 contracts without tenders; when you see, I say, the Minister of Marine giving contracts for 75 or 78 million dollars without tenders—I will not abuse him, he is a former Liberal, let us respect him; but I will tell him that he has violated the law put on the statute book by Sir Wilfrid Laurier, which prohibits contracts being given without tenders in matters of more than $5,000. That law, the hon. minister has had occasion to see it, to read it, to get acquainted with it, but he did not respect it—let him allow me to say that he does not respect the laws that are on the statute books, he over-rides them, he does not mind them. He is king and master in his department, but let me say to him—"Sir, this is not the way the laws of the land should be observed."

There has been put in the contracts a clause which did not exist before—to the effect that the workman's salary should be respected by the contractors and all sub-contractors, and that the recipient of a contract, would be responsible for the workman's salary. It was not that way before. A contract was given to Peter, Peter would transfer it to Baptiste, Baptiste to Paul, and in the end the workmen did not know whom to apply to for their pay and they lost it.

There are now in the agreements a clause which protects the labourers, and that is what we had said.

We have built a great number of post offices. The Montreal post office was in a wretched condition, as well as in other places; every public building was neglected,

and we had to provide for a great number of post offices and for repairing those which existed. That cost very dear but notwithstanding the expenses incurred for those large undertakings there was always a surplus at the end of the year.

In Montcalm, I had succeeded with great difficulty to get the consent of the honourable Minister of Finance to give me a post office. I had difficulties because he thought that the population was not sufficiently great, and that the business of the community was not sufficiently large. I proved to Mr. Laurier and the Minister of Finance that a post office in Montcalm was necessary and I got it. What happened? A site was bought and paid for; I had specifications prepared and I was ready to ask for tenders when the general elections were held and my post office was left there. At the present time, it is the cats and dogs that occupy the site; the specifications remained in the pigeon holes and we have never been able since that time to get a post office built. I am not sorry for it, because I have obtained from the voters of Montcalm a promise that if I could get a post office built there, they would give it my name, but, let them not do it, and I will have it built myself and my name shall be there; that post office will be the work of the next administration. They will ask for tenders and the Saint-Jacques post office will be built, and I shall be glad to have contributed to it.

The Hon. Mr. Laurier created two large provinces, and, if we have the honour now to have so many distinguished men from Alberta and from Saskatchewan, to whom are we indebted? It is thanks to Mr. Laurier. It is the government of that time who gave us an opportunity to bring to this House so many distinguished men from the West. There is something more to do at the present time. There is the great North-West Territory to open, and we shall do it when we have a Liberal government, and it will not be long now.

The hon. Mr. Gouin, who is not the first comer has compelled the Dominion Government to give us an additional subsidy which we had not before Mr. Gouin showed that the 80 cents obtained every year from the Dominion Government was not sufficient. Mr. Laurier was a little reluctant; Mr. Fielding was hesitating, but finally those terms were granted to the provinces and, if the province of Quebec receives a million, if the province of Ontario receives a million and three or four hundred thousand dollars and the other provnces as much, we owe it to Mr. Laurier and Mr. Fielding, who recognized the fairness of the claim. Mr. Gouin had called together all the Prime ministers of the several provinces in a great convention, and he satisfied the Dominion Government that the request he made for an additional subsidy was reasonable. We got it, and it was a great help for the provinces.

We have brought into existence the rural mail delivery, which was not a small improvement. How happy we are to receive our letters at home! The red box that we have at the door of each dwelling is a great relief indeed. In days gone by we used to receive our letters at the village, when we had time to go and get them. It was often late, roads were bad, and very often also the weather was bad. This rural mail delivery accommodates us indeed.

There is every year a large deficit in the post office department. The Hon. Mr. Lemieux took charge of the department and got a surplus of a million and some hundreds of thousand dollars. After having improved the post offices, after having decreased the cost of stamps—instead of paying three cents we then paid two cents and one cent—the surpluses were considerable. We have changed boss, it was not the old administration. The hon. Mr. Lemieux, now representing Maisonneuve and Gaspé, had much success in his administration as Postmaster General.

A MEMBER: Hear, hear.

Mr. LAFORTUNE: (Translation.) Since then there was a change in the price of postage stamps. The one cent system has disappeared. The hon. member for Maisonneuve(Mr. Lemieux) brought into use the post cards I assure you that everything went well with those post cards; there was much correspondence and that increased enormously the revenue.

Under Sir Wilfrid, all the departments had a fair proportion of employees belonging to each nationality. Irishmen, Englishmen and French Canadians were about in the right proportion. But since Sir Wilfrid Laurier is gone, things have changed. A great number of French Canadians were dismissed and replaced by Irishmen and by Englishmen. When we come back to power, we shall see that this proportion is restored in a just and fair way, and that those of our French Canadian countrymen who have been dismissed and put out of the Civil Service will be reinstated. We shall see that justice is done to our friends.

Mr. Speaker, we had promised to improve the St. Lawrence route from Montreal to Quebec by doing the dredging, the work necessary to make that waterway safe at any hour of the day or night, and to equip it in such a way as to avoid the danger of accidents, and we have spent very large sums to improve the St. Lawrence river. We have built a great number of new wharves, we have enlarged or repaired the old wharves and we have improved the harbours, everywhere, in a proper way. The elevators built by the Liberal party were the most powerful, the most important in the world. In fact, there are no better elevators than those which we have built at Montreal or elsewhere. We have built a great number of dry docks and spent enormous sums of money. The former administration had started to build the Soulanges canal and the Liberal party pushed that enterprise to completion. A little work was done on that canal every year; the work was suspended in the fall and had to be done over again in the following spring, so that never any progress was made. The canal was filling up as rapidly as it was dredged, and never would it have been completed if such a system had been continued. Sir Wilfrid Laurier and his friends went to work, they completed the Soulanges canal and made it one of the most magnificent in the world.

The Lachine canal was also completed. But there is a little bridge on the locks of that canal and I have tried my best to have the department do the repairing which it requires. We are answered "yes," but no action is taken. A young girl had a narrow escape of being drowned while passing on that bridge which is too narrow for circulation. That bridge was sufficient formerly, but Lachine has become a large town, one of our most important; it has a population of 35,000 and the traffic is such that this bridge is insufficient. However, I cannot succeed in getting the Minister of Public Works (Mr. McCurdy) or the Minister of Railways and Canals (Mr. Reid) to repair the bridge. They tell me that they will do so, but they take no action.

We have gone on with the building of railways which had already been commenced; it was Sir Wilfrid Laurier and his Cabinet that carried on that work. Bridges were built in a great many localities, such as Charlemagne, Richmond, St. John, Halifax and Terrebonne. There remained the Quebec bridge, which was already started, but it happened to collapse. I well remember, Mr. Speaker, how the Conservatives jeered at this sad event, how loud they were in their very offensive remarks. They even went as far as to claim that this was the fault of the former administration. But God punished them as they deserved, they received what was coming to them, for they met with a similar accident. I do not say it was their fault if the accident happened, I do not blame them for it, I only wish to show how inconsistent they were when they tried to hold the Liberal party responsible for the collapse of the Quebec bridge when they also met with the same accident.

We have encouraged foreign immigration, we have brought to this country a great many people who have settled in the West, in the new provinces; at a great cost to the country, but the influx of immigrants was very great. However, as a reward for such good work, the Liberals had to be defeated at the last election, and to make sure of this and of their own return to power, the Conservatives disfranchised these people for one reason or another. We shall, at the earliest possible moment, return these people their right of vote.

Our French Canadians had emigrated to the United States. When the last census was taken, there were living in the United States as many as 1,300,000 Canadians who were born in the province of Quebec. Before Laurier and his friends got to power, the Canadians had left the country, the farms were deserted, the houses were closed, the barns were abandoned throughout the whole province. After Laurier took office and brought great prosperity to his country, the French Canadians who had settled in the United States came back to their native land, they went on the farms which they had abandoned and remained in our midst.

Mr. Speaker, I have listened to the hon. member for Montcalm and l'Assomption (Mr. Séguin) who has succeeded me in the county of Montcalm. When we came to power, the duty on tobacco was only five cents.

Mr. Laurier immediately increased those duties to ten cents. Then, we asked for more protection and they were raised to fifteen cents. Later on, we asked the hon. member for Shelburne and Queen's and Sir Wilfrid Laurier for still more protection and we succeeded in getting a duty of 28 cents upon tobacco. The growing of tobacco in Montcalm, Joliette, Berthier, Farnham, Kent and Essex has assumed

large proportions, very important ones, but it is not enough. The hon. member from L'Assumption-Montcalm and myself would like to have an additional tax put on foreign tobacco, American tobacco, so as to offer more protection to the growing of tobacco. We have been promised that the duty would be increased by the hon. Minister of Inland Revenue and the hon. Minister of Agriculture, but these gentlemen do not live up to their promises. We shall be indebted to the next administration—and it will be before long, I hope—for the placing of an additional tax upon foreign tobacco so as to give more protection to our Canadian weed.

Hon. Mr. Fisher, who was a practical man, had cold storage apparatus installed on board ships for the shipment overseas to England of our butter, our cheese, our eggs, our bacon, our apples, and the member of to-day followed in his steps and they acted right.

We established with a great deal of success a number of experimental farms wherever it was necessary to do so.

Mr. Speaker, the country has become prosperous; Laurier and Fielding had been so successful that deposits were filling the banks; legal interest which had been 6 per cent was lowered to 5 per cent on account of the large amount of money we had, and legal interest is still 5 per cent although formerly it was 6 per cent. The deposits in the banks have increased considerably.

The Laurier Administration was wise, cautious, honest and fair. The hon. member from Shelburne and Queen's was a faithful trustee of the public exchequer, stern and granting no favour nor privilege and that is why he was so successful in the administration at that time.

The hon. ministers as well as the hon. members had not been elected to hand over presents; they had been elected as we were to administer the commonwealth and I remember the nights spent in discussing the $35,000,000 which the Government intended to give away, and they would never have succeeded in voting that sum had it not been for the gag. I remember Sir Wilfrid Laurier took the floor and was gagged—they silenced him—it was a painful sight to see a man of Sir Wilfrid Laurier's standing prevented from speaking by those gentlemen who gagged the men who were discussing public affairs and trying above all to oppose that present of $35,000,000.

Once, a farmer from the county in which I reside (Jacques-Cartier) told me: "Now, Mr. Lafortune, those 35 millions were not voted; they were voted, but the Senate dissented from that Act." I said to him: "But you do not add that it is the Liberal Senate that prevented the passing of the Bill; you say it was the Senate, but had the Senate been composed of men like those who are ruling us nowadays, it would have passed scot free." The Liberal Senate put aside those 35 millions and we have not given them away.

The hon. Mr. Fisher, who has just died, went through a campaign in the county of Chateauguay. I took part in the fray. I remember that hon. Mr. Sevigny who led the Conservative forces—went from one parish to another in the county of Chateauguay, saying to the electors, in the presence of the ministers who accompanied him, that if they would elect Mr. Morris, of Chateauguay, the bridge leading into the county of Huntingdon would be built from Caughnawaga to the shores of Lachine; he was sure, positive; he pledged his word in the presence of the ministers that the bridge in question would be built. In vain did we tell the electors: "Don't you see it is a hoax; don't you see those men are trying to deceive you? Well you know that the bridge will not be built." But that statement was made before the ministers by Mr. Sevigny and his friends; the people believed those gentlemen; Mr. Fisher was beaten on account of the bridge. Go and see whether or not the bridge is built; just inquire if a step were taken towards its construction. That bridge is needed; it is a necessity for the counties of Beauharnois, Huntingdon, St. Johns, Napierville and Laprairie. I was not opposed to the construction of that bridge, but to the manner in which they held it out to the electors. That was the cause of the defeat of the late hon. Mr. Fisher. The hon. member for Chateauguay (Mr. Robb) knows as well as I do, that this bridge would be of great advantage, that its construction is badly needed. It is not all to say so, it must be done.

Since I have the honour of occupying a seat in the House, and practically since I represent the county of Jacques-Cartier, I have asked the right hon. Minister of Justice: "Why do you not build this tunnel for the Ville-Emard? Why do you not build this tunnel which is needed, so greatly needed, you, who are the Minister of Justice, who represent the division of St. Anne's, you know that my request is fair

and necessary, you know that the electors of the district have to suffer because there is no tunnel to cross the Lachine canal in that region; why do you not build that tunnel? The people are suffering and insist loudly on having a tunnel where they can pass, when the bridges are open and boats are going down the canal". The hon. Minister of Justice pretends he does not hear, just as if I did not speak, as if I was asking this tunnel for myself; I do not need the tunnel, but the people I represent are clamouring: "Mr. Lafortune, for God's sake, ask the Minister of Justice, he who represents St. Anne's, your neighbouring district, to build this tunnel, kneel down to him and ask him to do so." I am quite willing to kneel down to him if he will only have this tunnel built. But no, he is deaf to my request, the request I am making in behalf of my constituency. He has plenty of time to do all kinds of things; he has time to go to Europe, he has time to lend millions to foreigners but he has no time to consider building this tunnel for which I am asking. He will be held responsible for this. The hon. minister is like the other members, he will have to render an account to the people; when election time comes, he, in turn, will have to take off his hat and ask the people to re-elect him. Then the people will have their turn. May be he will disappear, he may be called to the bench, or he may go to Europe, or perhaps Washington; he may not need the people, after all. He seems to be quite independent of the people, otherwise he would be more careful, more attentive, than he is.

I also want assistance to build a bridge between St. Anne's and Vaudreuil. That bridge shall be built, but we did not want any tolls on it. The Government of Quebec is willing to pay half of the cost of the bridge. All that we ask the Dominion Government is to help us to build the bridge. We are told: "It is not an interprovincial bridge it is a local bridge." Does not everybody cross that bridge? The object of this bridge is to allow people from Montreal and outsiders to go in and out of the metropolis; it is needed and it has been promised thousands of times by all representatives of the county of Jacques-Cartier, by the hon. Mr. Laflamme to begin with, the hon. Mr. Girouard, the hon. Mr. Monk, who had given his word of honour that if he were elected for the county of Jacques-Cartier, the first thing he would do, would be the bridge between St. Anne's and Vaudreuil. Mr. Monk made promises, alas, and though he was an honest man, a man of his word, he left without having made the least effort to build the said bridge. He had a small post office built in Saint Laurent where I live; we were proud of this post office, yet the bridge is more important. The bridge is to be built shortly by the Government of Quebec, only we shall have to impose tolls on it, whilst if the Dominion Government would only assist us, we would have a free bridge, and that would be of great advantage to the country.

A military hospital has been built in St. Anne's hospital has cost large sums of money. This hospital is needed. There are numbers of patients who go to that hospital. There is also the large Macdonald college at St. Anne's which cost nearly ten million dollars, there are many visitors who come to see the college, they have to cross from St. Anne's to Vaudreuil and Perrot island in a skiff, and unfortunately, we have had to deplore drownings there. If the bridge were built, it would connect the two provinces of Ontario and Quebec. It is the only place at present, whence we cannot cross over to the island of Montreal. Bridges have been built at Charlemagne, Terrebonne, Bizard island, Sault-au-Recollet.

Mr. ARCHAMBAULT: (Translation.) And Longueuil?

Mr. LAFORTUNE: (Translation.) I am coming to it, I have it in my notes. A bridge at St. Anne's would be very useful for the people of Montreal and of the surrounding districts. Then there is the Longueuil bridge, which is necessary and it has been accepted. The usefulness of that bridge was recognized by all the boards of trade, and by all the great manufacturers and investors. All realize the necessity of building that bridge. Why do they not do it? They say that there is no money available for works of that kind. I have long asked for a bridge to connect Bizard island and Ile Jésus, and I am told that there are no funds available for that, and there are none either for a bridge at Chateauguay or on the Lachine canal.

Under the Laurier administration, we had succeeded in having the wharves on the Bizard island bridge built by the Government. They had noticed at the time that the ice floes on the Ottawa River were liable to do great damage to the Bizard island bridge. The hon. member for Shelburne and Queen's, after having made a complete survey, consented to give us the wharves. They were not sufficiently strong, they are now in a bad condition and the

bridge is not safe. We are asking the Government to have these piers repaired, but we cannot get satisfaction.

In my county, the Government has a wharf at Pte Claire, but it is of no value, and no boat can land there. We have been told that the wharf was leased to the Grand Trunk, but now that the Grand Trunk is the property of the Government, why should they not make the necessary repairs?

Take the Ottawa river in front of Bizard island, Cartier and St. Vincent de Paul. There are two rapids which should be done away with. The former member, Mr. Wilson, when he represented the county of Laval, succeeded in securing from Mr. Laurier a subsidy of $50,000 for that purpose; that was very well for a start, but we need another $100,000 to make the river navigable. It would be a great thing for the people of Laval and Jacques Cartier if that part of the river could be made navigable, because they would be able to bring their lumber from Ontario and land at Cartierville, and from there through the Ottawa river at Bout de l'Ile up to St. Vincent de Paul, and also to bring in coal, produce and everything that is necessary for the penintentiary and the village of St. Vincent de Paul. It would afford great protection and it would mean a great saving for those parishes, if the Government acceded to their very just request, but the Government are turning a deaf ear when applied to for works of that kind.

If we ever get into power as I hope, we shall grant the people of Montreal and of the province of Quebec that which they all ask for: the Georgian Bay canal. How many times have we discussed the matter! The former administrations, including that of Sir Wilfrid, spent considerable sums in soundings, surveys, plans, specifications and all kinds of works. Up to now we have spent nearly $200,000 towards the construction of the Georgian Bay canal. Everybody recognizes the necessity of shortening the route from the Great Lakes by 450 miles to carry wheat through the Ottawa river down to Montreal and then direct to London without breaking bulk. Some say that it will cost a lot of money. It is true, but you cannot reap unless you sow. Seeding costs money, but it is essential if you want a crop. It has been established beyond doubt that the Georgian Bay canal would be a great national undertaking which would cause a large saving in the future and therefore it must be carried out.

[Mr. Lafortune.]

What about the Montreal Exhibition which did not take place for the last twenty-five years? The Dominion Government is giving rather large sums of money to help exhibitions in other provinces, to help the Toronto Exhibition, but not Quebec, Quebec gets nothing. They could not help Quebec while they help the others. We are asked repeatedly why the Government do not give a good sum yearly in order to create a permanent exhibition in Montreal. Montreal is the only important city where no yearly exhibition takes place. I was in Toronto last year. In just one day 300,000 people visited the grounds where one could see the most beautiful, the most useful and the most practical things. Trade, industry, commerce and fine arts were all represented there. But Toronto has not a population as large as Montreal. Toronto is a second rate city, while Montreal, the metropolis, the largest city in the Dominion could not even exhibit a kitten.

You tell the farmers: "Cultivate your lands, stick to the land." Yes, but are you going to help us? You spend large sums of money for stables in Ottawa and you give nothing, absolutely nothing for the Montreal Exhibition. This sort of thing has got to stop. We have bought the Grand Trunk following on the acquisition of the Canadian Northern. Considerable sums were spent in those deals. Although we protested, although we opposed the acquisition of those roads the Government claimed that it was good business, a first-class transaction and a profitable undertaking. Now, what is the result? Where do we stand? With deficits amounting to $75,000,000 last year; $45,000,000 this year and probably $75,000,000 next year unless they go to $150,000,000. Where will such a policy land us?

Mr. Speaker, there is in the statutes a certain enactment, the Conscription Act. This unfortunate Act should be eradicated from the statutes. It should be recalled at once. It is unfair and scandalous to leave such an Act in our statute books. Voluntary enlistment is thought sufficient. A man who is now lying on his death bed, the hon. member for Victoria (Sir Sam Hughes) claimed that voluntary enlistment was sufficient and that conscription was unnecessary. He was mocked, laughed at, and considerable sums were spent for what? In order to annul judgments rendered by magistrates and judges of the Superior Court who had exempted farmers' sons from conscription. The farmers were told that their sons would not be called. We went

before the judges of the Superior Court and we got these boys exempted. Then, the Government set up a Court of Appeals in Ottawa, a court presided over by Mr. Duff, so as to annul all these judgments and put aside the exemptions granted to farmers' sons. Mr. Speaker, I say that this was a scandal to appoint judges of the Superior Court so that they might grant exemptions, then having those decisions reversed so that the parents of those boys had to spend large sums of money. The speech from the Throne stated that a revision of the tariff would take place and the Government made that speech lie. Such a thing is unfair. The word of the King is a sacred thing. It is customary to say that the King may speak nothing but the truth, that the King cannot be wrong. In this case I charge the hon. gentlemen opposite with having put a lie in the mouth of the King.

But, Mr. Speaker, honour to the Liberals of the various counties! Honour to these Liberals who, once the war was over, had some respect for their pledged word. The hon. members for Marquette (Mr. Crerar), for Halifax (Mr. Maclean), for Durham (Mr. Rowell), for Shelburne and Queen's (Mr. Fielding), for Maple Creek (Mr. Maharg), for Prince Albert (Mr. Knox), for Battleford (Mr. Wright), for Last Mountain (Mr. Johnston), for Nelson (Mr. Campbell), for Neepawa (Mr. Davis), for Mackenzie (Mr. Reid), for Lethbridge (Mr. Buchanan), for Qu'Appelle (Mr. Thomson), for Saltcoats (Mr. MacNutt), for Red Deer (Mr. Clark)—the last but not the least—those who have had the courage, the self-denial and the honour to leave the opposite side of the House to come back and sit on this side, thus redeeming their pledged word that, once the war over, they would as true Liberals come back to occupy seats on your left, Mr. Speaker. As to those who remained on the other side, I shall not taunt them but I shall tell them that they have not proved so disinterested as those of our colleagues whom I have named. They have remained at your right, Mr. Speaker, through personal interest.

Mr. BELAND: (Translation.) Hear, hear!

Mr. LAFORTUNE: (Translation.) Mr. Speaker, I ask Mr. Speaker, that we do as is done in ordinary life, and that is to pass the ministerial brush over the signs which these hon. members have put up. By what right can these gentlemen call themselves Nationalists? The Nationalists who have fought against us are not in the House. There are no more of them here. There is only one left, and he is in the Senate. The Nationalists were of good faith, when they fought against us. They had for leader a serious man, a man of worth, but who has given up politics. These gentlemen who call themselves Nationalists, have certainly not asked for his advice when they put up such signs as "National," alias "Liberal," alias "Conservative". Liberals are Liberals and Conservatives are Conservatives.

What would you say if the Liberal party were to put their own sign; "Liberal-Conservative"? The day when we call ourselves Conservatives, will be the day we are hypocrites. We are Liberals, and nothing else. I would therefore say to these gentlemen: When you adopt the word "National" or "Liberal", you are trying to lure the people, it is camouflage, nothing else; you want the public to believe that you are Liberals, Conservatives, Nationalists, when you are merely Conservatives-Tories, worthy successors of the men of the past. I say to them: Take your brush and paint over your sign, take away the word "National" and also the word "Liberal", and keep the word "Conservative", the only one to which you are entitled.

The hon. member for South Oxford (Mr. Sutherland) told us in his speech that we required a change. Yes, indeed, we do require a change and we will soon have it. The remaining Liberals are superior men, are we told by the supporters of the Government. You are right to tell us that they are superior men; these men have saved your political life; they have made political sacrifices to keep you in power, you had better take good care them, and treat them well, because it is thanks to them if you are there yet.

You have loaned 46 millions to foreign countries, 2 million dollars interest are yet unpaid, and you tell us: "We have no money for the work which is so badly needed". You tell us that you have no money when you can find some to lend to all the countries of the world, to insolvent countries; you can never collect that money; it is lost. You have had money for Toronto, Victoria, Vancouver, Halifax, you have money for every one except the province of Quebec, you have no money for her, when her representatives ask you for something.

There are men, there are employees, returned soldiers who ask for better treatment. There are men of the county courts who are calling to you for a higher salary.

These judges are not sufficiently remunerated. There are four judges in Montreal—the Minister of Justice must have received the pamphlet who was addressed to all the members. I have read mine, and I say to the Minister of Justice: "These men are perfectly right in their complaints, the salary which they receive is not sufficient; you have already increased the salary of the judges of the Superior Court; you have raised the salary of the judges of the Court of Appeal and of the Supreme Court; it is true that you have slightly increased that of the judges of the county courts, not sufficiently. The judges wish their salaries to be raised to $7,000. The are perfectly right. Having practised as a lawyer for 38 years, I know their work, I know their responsibilities. There are heads of families who earn $5,000. Take, for example, Judge Archambault who has to earn a living for his eleven children, boys and girls, who are at the college or at the convent; he receives only $5,000 a year. I say to the Minister of Justice: "Why do you do not help these men; give them an increase of salary, and the public will approve you". Judges who are superannuated, like Sir Alexandre Lacoste approve their request, and so do the judges who are receiving higher salaries. The hon. Minister of Justice who was a lawyer for a number of years, and who sat on the bench for several years, knows what their duties and their responsibilities are, he would only be doing an act of justice in increasing the salaries of the judges of the county courts.

I am not speaking for myself; I am pleading in favour of those who justly ask for an increase of salary. Let the hon. minister take cognizance of their pamphlet; let him peruse it and weigh the reasons given in it and I think that he will satisfy himself that the claims of those judges are absolutely just, fair and reasonable; you would perform a great act of justice if you were giving them the increase of salary they ask for.

Now, Mr. Speaker, my hon. friends have acted in such a way that a lot of mothers and fathers have shed bitter tears and they also have frightened the people. Several mothers have gone out of their mind at the sight of their sons leaving for the front. To my personal knowledge, many mothers have gone mad on account of their sons being taken by conscription. You had said that you would rely only upon voluntary enlistment and yet you have made people shed bitter tears, you have frightened the population, you are the cause that many people have lost their mind. Well, Mr. Speaker, when shall these gentlemen try to redress the wrong they have done?

I will just conclude my remarks, Mr. Speaker. The main reason why we, the farmers of the province of Quebce, wantec to accept reciprocity, was that the hon. member for Shelburne and Queen's and Sir Wilfrid Laurier had inserted a clause under which the American corn was admitted in this country free of any duty. How proud and happy were we as soon as we learned that the American corn would come free into Canada! We were saved. But, we appreciated more particularly that part of the arrangement under which they had conceded to us the free entry of corn into Canada. As far as the pact of reciprocity is concerned, I would have refused it if it had been a full treaty, but it was only a partial one; we were free to denounce it at will, to maintain it in force or abrogate it the next day. Both parties to the convention had reserved to themselves the right to put the treaty in force but to denounce it in case that one or the other would find that something was wrong or disadvantageous about it. There is another improvement—that we have been asking for a long time. We urge upon the Minister of Agriculture the necessity of regulating the weight of potatoes. For three years past, we have placed before my hon. friend a request asking to regulate the weight of the bags of potatoes, in other words to fix the weight to 80 pounds instead of 90 pounds.

Mr. MORPHY: (Translation.). Will the hon. member allow me to ask him a question?

Mr. LAFORTUNE: (Translation.). Certainly, providing that it won't be too long.

Mr. MORPHY: (Translation.). Does the hon. member think that the Government of the day is the best Government in the world?

Mr. LAFORTUNE: (Translation.). I am not called upon to pass sentence on that Government but to criticise their acts. Regarding the question to bring this Government up for trial, you can do that yourselve.

Mr. CASGRAIN: (Translation.). The people will do that all right.

Mr. LAFORTUNE: (Translation.) This Government is the worst that I have ever known and the people will tell you the same thing at the next opportunity.

I am sorry, Mr. Speaker, to have to take my seat before being able to express all my views on the topics of the day. But I have still something to say. I will urge upon the present Administration, the same as I will ask my friends if they come to power after the next election, to promote the beet industry throughout the country, since it is so flourishing In fact, the culture of beets is a success in Ontario and I do not see why we should not have the same results in Quebec. If the Government would only assist us, if they were willing to give us a bounty for each ton of beet produced by the farmers, it would be of great help to our people. We could use the residue for the feeding of cattle, cows, sheep, pigs and so on. The establishment of such an industry would afford a good deal of help and protection for us. Naturally, the hon. ministers don't bother themselves with questions of that kind. They have made up their mind that it is a trifling matter but as far as we—the farmers—are concerned, we know what a boon it would be.

Mr. Speaker, I will resume my seat now, hoping that you will excuse me after having taken so much of the time of this House. However, I waited to put those few remarks on record, in justice to the people and the large constituency that I have the honour to represent in this Parliament. If I can spare a few moments later on, I will avail myself of the first opportunity to discuss the other subjects which were left aside to-night.

Mr. J. A. CAMPBELL (Nelson): Mr. Speaker, I wish to make some observations on one or two matters arising out of the Budget, but before doing so I desire to say a word or two in regard to that much talked of public work, the Esquimalt dry-dock. I listened with a great deal of interest to the explanation given by the Minister of Agriculture (Mr. Tolmie) regarding the construction of that dry dock, and I think he made out a pretty good case for its construction, that is, if these were normal times and finances were as buoyant as they have been in the past. Just as good a case however, could be made out for a score of other public works in the Dominion, and a much stronger case for a number of others which have either not been commenced or have been stopped by the Government from the standpoint of economy. I was much interested in the statement which the minister repeated more than once that the Government by carrying on this work were showing their good faith with the people and thus keeping their word. It is hardly necessary for me to point out that that is not the condition of affairs that has always existed. I have had occasion in this House more than once this year to bring up a couple of matters wherein the Government most emphatically did not keep their word, wherein solemn definite pledges had been broken by the Government in respect to public works which it had promised to undertake and in other matters. I refer particularly to the transfer of the natural resources to the western provinces, and the construction of the Hudson Bay railway. This railway was promised away back twenty years ago, whereas this dry dock that the Minister of Agriculture was speaking of was promised, I understand, in 1912. The war prevented its being gone on with, but the work was undertaken lately, and it is a most peculiar coincidence that it should be gone on with immediately after an election. There is no question that this public work was an issue in the election that took place in Victoria. The only conclusion I can come to why the other promises of the Government that I have referred to have not been kept is that there have been no elections in the Prairie Provinces in the last few years, except in Assiniboia, where, as everybody knows, the Government had no candidate, and therefore they were not interested in the promises made to the western provinces.

Regarding the Budget, I appreciate to a considerable extent the difficulties in the way of the Minister of Finance at the present time. They might be looked upon as three-fold, financial, economic, and political. I am only sorry that so far as the outcome is concerned, it would appear that the last condition has received more attention than either of the others. On the face of it, it would appear that the Government had decided to let well enough alone or to do nothing in connection with the tariff. That is the impression that has gone out through the country. However, on looking at the Budget it is easily to be seen that considerable has been done which has the effect of increasing the tariff, and that the first impression is not the correct one, for by certain changes in connection with exchange, the increase in the sales tax, and so on, the cords of protection are strengthened, and the result is practically a very considerable increase in the tariff tax.

In the remarks which I made on the Address some little time ago I mentioned

the expectation I had at that time that the Government would revise the tariff to some extent this year, and I maintained the hope that they would reduce the burden of taxation by eliminating some duties and reducing others; in a word, that they would see their way clear to the cutting away of the "mouldering branches," and remove some of the inconsistencies and anomolies that undoubtedly do exist in connection with the tariff. The Government, however, did not do any of these things which I am satisfied the majority on both sides of the House expected that they would do. I am, therefore, convinced that we can expect no changes from this Government in the way of lessening the burden of taxation in connection with the tariff, and if there is to be any revision, it will be a revision upwards, as it is this year. An upward movement in many matters is a good thing, but in connection with the tariff it is not to be desired.

As far as the tariff itself is concerned, I do not propose to discuss that matter at all. I have said before, and I repeat now, that I do not think the tariff is an issue now; perhaps I should say that I do not think the tariff should be an issue. Now I do not wish to be misunderstood. I am satisfied that a majority of the protectionists in this House want a revision of the tariff schedules. They are not satisfied with the situation. I do not mean that they wish a revision by way of increase, but they want certain changes made such as I have already mentioned. I have here a communication from a friend of mine which illustrates the situation very fairly. This gentleman is a Conservative and a strong protectionist and has been engaged for quite a long time in industrial pursuits. I desire to read the following extract from this communication:

> I am a believer in protection but I believe in a protection that is based upon a tariff that is properly thought out and which is scientifically arranged. I believe in a protection that has for its objective the well-being and material advancement of Canada and not the creation and maintenance of a few groups of greedy millionaires, men who are in no sense manufacturers, but who are stock gamblers, carrying on their gambling transactions under the disguise of manufacturing. There exists no reason why known abuses should not be rectified; there can be no reason why the compilation of the Canadian Tariff should not be made upon scientific principles. This in the past has never been the case. The present and previous tariffs have been the result of trying to conciliate "big interests" combined with leaving the compilation to men who possessed little or no technical knewledge of the several industries affected.

I quote this to show the attitude now taken by certain protectionists. I do not wish to be interpreted as in any way justifying the principle of protection myself; I read this simply to show the frame of mind of many protectionists, and I know that there are a number of hon. gentlemen on the other side of the House who hold the same views as are expressed in the foregoing extract, because they have conveyed the impression to me in almost the same words. They have told me that in their opinion the tariff has outlived its usefulness in its present form, and that in some respects it is a detriment to the manufacturing industries which it is desired to foster. They therefore think that material changes should be made in the tariff as it at present exists. My hon. friend from Muskoka (Mr. McGibbon) evidently believes the same also. He quoted John Stuart Mill the other night. In the course of his remarks he said:

> I might also quote statements from some of my hon. friend's favourite authors, such as John Stuart Mill, who says, speaking of infant industries:
>
> That a tax favoring infant industries for a time is the easiest way that a nation can carry them into development.

I am not sure whether these are the exact sentiments of the member for Muskoka, but as the quotation was used by him to refute statements made by some members on this side, I presume he agrees with the views therein set out. But I may point out that this quotation refers to infant industries, and it specifically adds the qualifying phrase "for a time." The reason why protection was introduced, in the first place, was to encourage infant industries, and only for a time, at that; but these industries in this country have grown bald-headed and grey-bearded, and can no longer be classed in that category. Others of the protectionist camp realize that the tariff is out of date and unscientific, including, as I have said, many anomalies. Now, I do not propose at this time of night to follow this question further. I have before me a number of instances showing wherein these anomalies occur, and wherein the tariff is out of date and does not really carry out the purposes for which it was intended. The principal objectionable features with the present tariff are:

1. Goods are placed out of their proper group.
2. Goods belonging to two or more groups and items are crowded in one item.
3. Raw materials are placed in items, mixed up with manufactures and sometimes with manufactures of raw material altogether different.

4. Some goods are named in more than one item and under different rates of duty.

5. Machinery and material required by certain favoured industries are admitted free or on the payment of but a small duty whilst the machinery and material required by other industries the development of which are of equal interest to Canada, are made to pay heavy duties even and although the machinery is not made in Canada.

6. Machinery of improved design not built in Canada, the improvements making its use necessary by all well managed concerns, is charged heavy duties, thereby penalizing progressive manufacturers, or it may be discouraging a valuable nascent industry, and this is done so that a badly managed moribund concern may continue to make profits by the production of machines that are not economical to the manifest injury of Canada as a whole.

As I have said, I have before me quite a number of definite instances of these anomalies and irregularities, but I refrain from quoting them to-night. Undoubtedly, most of them are already known to hon. members, and I doubt whether any useful purpose would be served by my going into them in extenso. Let me say that I look upon this subject with an open mind. I will admit that under some conditions protection may be an advantage to Canada. I have a rather pronounced leaning towards freedom of trade, but I recognize that this cannot be brought about in the immediate future, nor for a considerable time to come, even if this end is desired. But what I desire to show to-night is that protection is not being carried out as is my understanding of its intention in the first place, and instead of being a system or plan for development of industry, it is used by industrial barons to promote stock gambling, to create monopolies, and generally to bleed the public.

A couple of days ago the hon. member for Marquette (Mr. Crerar) gave a number of instances of how protection had been perverted to the advantage of certain stock jobbing schemes, and how the public was being mulcted thereby. I have one more instance which I wish to refer to to-night, that is the cement industry. Portland cement plays an exceedingly important part in the development of the country. It is used in the construction of roads, bridges, harbour works, houses, and factories, and for hydro-electric development and many other works of a public nature. Last but not least, it is now being used very extensively, or was until recent years, in the construction of farm buildings; in fact it plays an exceedingly important part in farm structures and in connection with work on the farm generally. Portland cement is composed of (1) lime stone or marl; (2) cement rock or clay; and (3) gypsum. In order to manufacture the finished product from these materials it is necessary to have power and fuel. The fuel used is coal, fuel oil or natural gas, and the power is hydro electric, or other power. Now in respect to nearly every one of these items Canada is in just as advantageous a position as is the United States. The only disadvantage from which Canada may suffer is in the matter of fuel. In respect of the other necessities, there appears to be no reason why cement should not be produced at as low a price in this country as in the United States, except in some instances which are very exceptional. The price in Canada, as quoted a few days ago by the chief concern manufacturing cement, was $3.90 per barrel of 350 pounds including the sacks or, deducting the price of sacks, $3.10 per barrel. Without going into the figures at length I have here a United States publication giving a summary of the cost and selling price of cement for a considerable period. According to it, the average cost of the production of cement within a recent period is $1.65 and the selling price $1.75 per barrel. It should be noted that the United States barrel has a content of 380 pounds instead of 350, and if we take the Canadian price for a barrel of 380 pounds it would represent $3.34 as against an average American price of $1.75. Now there is a duty on this cement of ten cents per hundred pounds. This perhaps does not account for the total difference, but there has been created in Canada within the last few years a monopoly in the cement business. According to information I have received, which is authentic, when a person wants cement and communicates with an American concern in order to get quotations he is referred to a certain Canadian company to fill his order. That is why the Canadian people have to pay a very great deal more for their cement than the situation warrants. There would appear to be no reason on earth why the duty referred to should exist at the present time. This industry is based on one of our natural resources, it is an industry peculiar to Canada, and is one in which surely the Canadian people can work to as great an advantage as those engaged in the same industry in the United States. Now the reason the people of Canada have to pay through the nose for their cement is largely owing to the fact, as I said before, that there is a monopoly. How has this monopoly been brought about? In 1909 there

was incorporated in Canada the Canada Cement Company which took over eleven concerns which had previously operated. These eleven companies had a total capitalization of $17,750,000. The Canada Cement Company when incorporated issued common stock to the amount of $13,500,000, preference stock to the amount of $10,500,000; and bonds to the amount of $6,253,966, a total of $30,256,966, or $12,506,966 more than the total capitalization of the companies which they had absorbed —just that much water. This company is on a par with those referred to by the hon. member for Marquette, or perhaps is worse in character, and the financial history of Canada unfortunately is replete with instances of that kind.

Mr. LALOR: May I ask the hon. gentleman what is the price of cement in the United States?

Mr. CAMPBELL: I gave the quotation.

Mr. LALOR: Was it $1.75 per barrel?

Mr. CAMPBELL: Yes $1.75 a barrel.

Mr. LALOR: What is the price in Canada?

Mr. CAMPBELL: The quotation I gave was $3.90.

Mr. LALOR: And there is only a duty of 8 or 10 per cent? Why do you not buy cement in the United States if the duty is so low? There cannot be that much difference.

Mr. CAMPBELL: I am prepared to answer the hon. gentleman's question. The situation is this. The party who got this quotation showed me the letter and that was the price given in it. He told me that he had endeavoured to buy cement in the United States and he had been referred to the Canadian Company; the Canada Cement Company apparently has an arrangement under which he could not buy cement in the United States. It thus appears that a monopoly has been established. As I said before I am aware that the great difference between the price in the United States and the price in Canada is not wholly accounted for by the duty and here is the point I wish to make: The protective system was not devised to evolve a situation such as this. Notwithstanding the fact that there is so much water in the capitalization of the new organization its stock was sold, according to quotations I have here, at from 55 to 75 last year. The Canada Cement Company seems to be an exceedingly prosperous concern. Here is an instance similar to that mentioned by the Prime Minister a short time ago when he referred to the Binder Twine Industry and the lessening of the number of factories engaged in it. I understand there were more factories in existence some years ago than there are now, but some of these factories were shut down and the work of making cement has been centralized. In a word, the Canada Cement Company seems to be in a particularly prosperous condition and to have profited to the full extent of the duty that is imposed. It cannot be said, as has been intimated by the hon. member for Haldimand to-night that the putting on of the duty not only does not increase the price but tends somewhat to bring about a reduction through competition. In this case full advantage was taken of the duty, of the exchange, and of an arrangement with United States concerns. The result is that the increase in the price of cement during the last few years has brought about a situation very detrimental to the upbuilding of Canada. It has had an adverse effect upon the construction of public works, of houses which are so much needed all over the country, and of farm buildings generally. No doubt, as in the case of the textile industry, the directors are not conducting this concern for the glory of God or even for the glory of Canada, but purely for their own interests. Possibly some will not blame them, but when they can do so well there is no reason why they should be assisted by the people of Canada to the extent of ten cents a hundred pounds, and there would appear to be no reason why, in the interests of the public or even of the cement company, this duty should not be removed. I verily believe that a great many of these manufacturers who are taking full advantage of the tariff could get along very well without it by putting in up-to-date machinery and conducting their business in a more systematic way than at present. I had hoped that the Tariff Commission which roved around the country last winter would have been able to bring forth some information and suggestions regarding this particular phase of the matter, but I have been disappointed.

I have before me some figures about the coal and iron industry, but at his late, or rather early, hour I shall refrain from quoting them, although I might say that that industry is practically on all-fours with the cement industry. There were some other matters which I intended to deal with, but I said I would be brief, therefore, Mr

Speaker, I shall not detain the House any longer.

Mr THOMAS MacNUTT (Saltcoats): Mr. Speaker, it would be almost a criminal offence if I took up very much time of the House at this late, or rather very early, hour and I do not intend to do so, but I do not care to record a silent vote on this occasion.

The Budget is quite consistent with the attitude taken by the Prime Minister (Mr. Meighen) and his supporters. They stand for protection, they make no bones about it, and, although I do not agree with them, I give them credit for their frankness. The Prime Minister in his speeches throughout the West and also in this House has emphasized the fact that the party which he leads stands for protection to the manufacturer. I do not think, though, that he is quite fair to this little group when he referred to us as being "angularly opposite." We prefer to call ourselves the Progressive party. And I think we have shown ourselves to be independent of both the old political parties. We have at times voted for measures regardless of whether they emanated from your right, Sir, or from your left, for we do not consider how our voting will affect either party; we treat each measure on its merits. Whether right or wrong, I feel satisfied that we are perfectly sincere, and some of the statements made by the Prime Minister, in not particularly choice language, do not altogether fit in with our attitude either in this House or outside. I do not know whether the Prime Minister regarded us as a "dilapidated annex" when we swelled his majority from seventeen to thirty-eight, but I feel certain he did not think we were a "servile adjunct." However, even the Prime Minister can make a slip sometimes, and I will let it go at that.

Our platform, Mr. Speaker, has been placed on Hansard, and we stand behind it. The Prime Minister twitted us with not having sufficient courage to place our platform before the House, but, Sir, he knows very well that according to the ruling of the Chair there can be only one amendment to the Budget, and the official Opposition has the sole right to move that amendment. They did not take advantage of that privilege from 1911 to 1919, but since this little group came into existence the official Opposition have been in the habit of exercising their right, possibly from fear that some more obnoxious—

Some hon. MEMBERS: Order.

Mr. MacNUTT: —amendment might be brought before the House. At any rate, everything points to the fact that there is no affiliation between ourselves and the Liberal party.

Some hon. MEMBERS: Hear, hear.

Mr. CAMPBELL: Why the joy?

Mr. MacNUTT: During the course of his Budget speech the Prime Minister read from a pamphlet without giving the name of the author,—a pamphlet written, I think, in 1911, in support of protection. He was on what the hon. member for Red Deer (Mr. Clark) might term a piscatorial expedition, and he caught a fish, but I think the fish escaped and took the hook and line along with him. The right hon. gentleman was referring to Mr. Norman Lambert who has for some time past been the secretary of the Council of Agriculture. Well, as a young man he might form certain views and afterwards change them, as a great many young men do, possibly through getting more light on the subject or through altered conditions. It would be a great pity if all our young men stuck rigidly to the views of their immature youth, and if they did we would have rather a poor country. We have numerous examples of very eminent men changing their political opinions. I understand that the ex-Prime Minister (Sir Robert Borden) was at one time a Liberal, and no better evidence of such change of views can be pointed to than the presence of certain hon. gentlemen on the other side of the House at the present time. A great deal of the support of the present Government is derived from a number of hon. members who in 1917 were elected as Liberal Unionists. They certainly cannot claim to be following at the present time the Liberal doctrines as we understood them. One outstanding example is the hon. member for Macdonald (Mr. Henders) who at one time was president of the Grain Growers' Association, a body which he evidently now has very little use for. Another is the Minister of Immigration and Colonization (Mr. Calder). I think I knew that hon. gentleman's former politics about as well as anybody in this House. He was the apostle of Liberalism in the West, but he has seen fit lately to change his political views, and now condemns where he used to praise. I am not criticising the attitude of these hon. members; they have a perfect right to change their views—and so had Mr. Norman Lambert.

There is another matter which I wish to bring to the attention of the House, and it relates to ex-members of our Canadian navy who served on the high seas during the war. It appears that when any of these people apply for a position in the Civil Service they are treated as civilians. It is well known that when a returned soldier applies for a position in the Civil Service he gets the preference even though he gets a lower rating than the civilians on the list. That is quite proper, but I do not think there should be any discrimination in the matter of the men who manned our small Canadian navy. I put some questions on the Order Paper with regard to this matter, and on account of my leaving out a word or two the answer which I got does not mean anything. My question was:

(1) Have ex-members of the Canadian navy—

I should have said: "who have served on the high seas".

—the same status as ex-members of the Canadian Expeditionary Force who served overseas?

2. Do they receive the same preference with regard to appointments to the Civil Service?

To which the Minister of Justice (Mr. Doherty) replied:

1. Yes. A member of the Canadian Navy who has served in European or Asiatic waters during the war period has the same status as a member of the Canadian Expeditionary Force who had served overseas.

2. Yes.

Well, that is no answer at all, because the Canadian navy did not serve in European or Asiatic waters. But Sir, they did good work on our own coasts. The Rainbow, with the two submarines and the parent ship, the Shearwater, patrolled the Pacific Coast from Esquimalt down to Panama and up as far as Prince Rupert. I think that the men who manned that little obsolete vessel, the Rainbow, displayed a good deal of heroism when they went out on the high seas where they might meet at any time one of the three modern German cruisers which were then hovering about those coasts—the Leipsic, the Nuremberg and the Scharnhorst. The Niobe also did good service on the Atlantic coast in guarding our shores. Surely the men who manned these ships were on active service, although not in action. We know that the British fleet kept watch at the entrance of the Kiel Canal; they were on active service but not in action during a great part of the war, yet had it not been for their services the war might not have ended as soon as it did. In a much smaller way, of course, the Canadian navy was guarding our shores. The naval service is usually considered senior to the army, but all that is asked for in this connection is that those who served in the Canadian navy be put on a par with the overseas soldiers in the matter of candidature for positions in the Civil Service, rather than be treated as civilians—for certainly they were not civilians. I want to bring this matter to the attention of the Government; I think it should be remedied. The present provision of the Civil Service Act in this regard is as follows—section 39:

Provided, however, that in all examinations for entrance into the Civil Service persons who have been on active service overseas on the military or naval forces of His Majesty or of any of the Allies of His Majesty during the present war. . . . shall, irrespective of the marks they have obtained, be placed in the order of merit on the list of successful candidates above all other candidates.

The provision which I suggest could be made by the insertion of five words by way of amendment to this section, so that it would read:

Provided however, that in all examinations for entrance into the Civil Service persons who have been on active service overseas or on the high seas on the military or naval forces of His Majesty, etc.

The insertion of the words "or on the high seas" would cover the ground. I bring this matter up in order to show that there is discrimination against an arm of the service the members of which deserve all the credit we can give them.

To return to our policy, I may say that we believe, in raising the revenue of the country, in taxing the wealth rather than the poverty of the country, placing the burden on those who are best able to pay, I am going to vote for the amendment, not so much for its own sake as a protest against the Budget, because it still points the way to protection and higher protection.

The House divided on the amendment. (Mr. Fielding), which was negatived on the following division:

YEAS

Messrs.

Archambault,	Cannon,
Baldwin,	Cardin,
Béland,	Casgrain,
Bourassa,	Chisholm,
Brouillard,	Copp,
Buchanan,	Crerar,
Bureau,	d'Anjou,
Cahill,	Déchêne,
Caldwell,	Delisle,
Campbell,	Demers,

Denis,
Desaulniers,
Deslauriers,
Devlin,
Duff,
DuTremblay,
Ethier,
Fafard,
Fielding,
Fontaine,
Fortier,
Fournier,
Gauvreau,
Gervais,
Gordon,
Gould,
Halbert,
Johnston,
Kay,
Kennedy (Essex N.)
Kennedy (Glengarry and Stormont),
King,
Knox,
Lafortune,
Lanctôt,
Lapointe,
Lavigueur
Leduc,
Léger,
Lemieux,
Lesage,
MacNutt,
McDermand,
McGibbon (Argenteuil),
McKenzie,
McMaster,
Maharg,
Marcil (Bonaventure),
Marcile (Bagot),
Mayrand,
Michaud,
Molloy,
Murphy,
Pacaud,
Pardee,
Parent,
Pelletier,
Prevost,
Reid (Mackenzie),
Rinfret,
Robb,
Savard,
Séguin,
Sinclair (Antigonish and Guysboro)
Sinclair (Queens, P.E.I.),
Stein,
Tobin,
Trahan,
Truax,
Verville,
Vien,
White,
Wright—83.

NAYS

Messrs.

Allan,
Anderson,
Argue,
Armstrong (Lambton),
Armstrong (York),
Arthurs,
Ballantyne,
Ball,
Best,
Blair,
Blake,
Bolton,
Bonnell,
Bowman,
Boyce,
Boys,
Brien,
Bristol,
Butts,
Calder,
Casselman,
Chabot,
Chaplin,
Charters,
Clark (Bruce),
Clarke (Wellington),
Clements,
Cockshutt,
Cooper,
Cowan,
Crowe,
Cruise,
Currie,
Davidson,
Doherty,
Douglas (Strathcona),
Douglas (Cape Breton S. and Rich.),
Drayton (Sir Henry),
Elkin,
Finley,
Foster (Sir George),
Foster (York),
Fraser,
Fripp,
Fulton,
Glass,
Griesbach,
Guthrie,
Halladay,
Harold,
Harrison,
Hartt,
Hay,
Henders,
Hocken,
Lalor,
Lang,
Long,
MacKelvie,
Mackie (Renfrew),
Maclean (York),
McCurdy,
McGibbon (Muskoka),
McGregor,
McIntosh,
McIsaac,
McLean (Royal),
McQuarrie,
Manion,
Martin,
Meighen,
Middlebro,
Morphy,
Mowat,
Munson,
Myers,
Nesbitt,
Nicholson (Queens, P.E.I.),
Peck,
Porter,
Redman,
Reid (Grenville),
Sexmith,
Shaw,
Sheard,
Simson,
Smith,
Spinney,
Stacey,
Steele,
Stevens,
Stewart (Hamilton),
Stewart (Lanark)
Sutherland,
Thompson (Weyburn),
Thompson (Hastings),
Thompson (Yukon),
Tolmie,
Tremain,
Tweedie,
Wigmore,
Wilson (Wentworth),
Wilson (Saskatoon)—103.

PAIRS

Messrs.

(The list of Pairs is furnished by the Chief Whips).

Newburn.
Nicholson (Algoma),
Merner,
Edwards,
Hepburn,
Borden,
Whidden,
Green,
Crothers,
Keefer,
Scott,
Cronyn,
Kemp,
Tudhope,
Mackie (Edmonton),
Charlton,
Hughes (Sir Sam),
Power,
McRae,
Papineau,
Jacobs,
Maclean (Halifax),
Clark (Red Deer),
Davis,
McDonald,
Turgeon,
Pedlow,
Ross,
Euler,
Boyer,
Proulx,
Hunt.
McCoig.
Thomson (Qu'appelle).

Mr. THOMSON (Qu'Appelle): I was paired with the hon. member for Victoria (Sir Sam Hughes). Had I voted, I would have voted for the amendment.

Mr. MEWBURN: I was paired with the hon. member for Quebec South (Mr. Power). Had I voted, I would have voted against the amendment.

Mr. JACOBS: I was paired with the hon. member for Frontenac (Mr. Edwards). Had I voted, I would have voted for the amendment.

Mr. McCOIG: I was paired with the hon. member for Norfolk (Mr. Charlton). Had I voted, I would have voted for the amendment.

Mr. PAPINEAU: I was paired with the hon. member for South Huron (Mr. Merner). Had I voted, I would have voted for the amendment.

Mr. MEIGHEN: Mr. Speaker, my rising is more on a question of privilege than for the purpose of taking part in the debate as such. In the course of an address delivered in this debate by the hon. member for Marquette (Mr. Crerar), he made the assertion that an offer of a position in the present Government had been made by

myself or my agent to the present, as he described him, Catholic Minister of Public Works of the province of New Brunswick. The subject was not one that it is customary to make inquiries about or to ask a Prime Minister questions on across the floor of Parliament. But as the statement had been categorically made by the hon. member for Marquette, I felt at that time that I should give it an equally categoricall denial. I did so. Ordinarily the denial, I think, would have been accepted in this House, particularly taking into consideration the subject matter that was covered by the discussion. I find, however, that, in my absence from this House, the question was again raised by the hon. member for Russell (Mr. Murphy) this evening. In the course of the debate, he read some statement or newspaper interview said to have been given by the hon. Mr. Veniot, who, I believe, is at the present time Minister of Public Works in that province. On arriving in the House after the hon. member for Russell had quoted the alleged interview, I asked if he would be good enough to repeat it in my hearing. I was, however, denied this courtesy by the hon. member for Russell, who took the ground that I should always be in my seat in Parliament. As a former minister of the Crown, I am not able to understand how he conceives that to be possible, physically or in any other way.

Mr. MURPHY: I may say that I did not say that.

Mr. MEIGHEN: The statement was that I should have been in my seat when my hon. friend quoted the interview. Perhaps the hon. member says that I should always be in the House when he is speaking.

Mr. MURPHY: No.

Mr. MEIGHEN: I very much desire that that would be possible. I should like, indeed, to be in the House, particularly when the hon. member is speaking, and I may say that I would have expected from any other rather than from him a refusal to quote in my presence an interview in which I was directly concerned. However, he did not do so. I was able to obtain from Hansard a statement of the hon. gentleman's remarks in which the alleged interview was quoted, and I quote from it as follows—this is the only part I need refer to:

> The person who made the overtures to me presented to me a letter addressd to me and signed by Premier Meighen. This letter showed that the Premier was in close touch with the situation, and further I can say that a certain other Cabinet Minister also wrote to this same person. It is scarcely necessary to add that the party who made the overtures is a strong and influential Conservative. I never sought the position, and my reply, dated January 11, 1921, can be produced to prove this when the proper time arrives.

All I need say is to repeat the statement I made before. No such proposal was made by me, by any one with my authority, directly, indirectly, definitely, indefinitely, or in any other way, and no such letter to Mr. Veniot as referred to by him in the interview quoted ever was written. What the next step on the part of hon. gentlemen opposite should be I need not say. It is obvious to me, and should be obvious to them.

Mr. MURPHY: May I just put my right hon. friend right in one particular? The subject was not brought up by me. It was originally mentioned by the hon. member for Centre Vancouver (Mr. Stevens).

Mr. MEIGHEN: No, originally it was mentioned by the hon. member for Marquette (Mr. Crerar).

Main motion (Sir Henry Drayton) agreed to, on the same division reversed.

WAYS AND MEANS

The House in Committee of Ways and Means, Mr. Boivin in the Chair.

Progress reported.

PRESENTATION OF SPEAKER'S CHAIR BY RIGHT HON. J. W. LOWTHER

Mr. DEPUTY SPEAKER: I have the honour to inform the House that the beautiful replica of the Speaker's chair in the British House of Commons at Westminster, presented as a goodwill gift to this House of Commons by the honourable members of the Houses of Lords and Commons, constituting the United Kingdom Branch of the Empire Parliamentary Association, will be officially presented to the Canadian House of Commons by the Right Honourable James William Lowther, P.C., Speaker of the British House of Commons from 1905 to April of the present year, this day, Friday, May 20th, at half past two o'clock in the afternoon.

The ceremony of presentation will take place in this chamber. Members' galleries will be reserved for the wives and families of hon. members. The usual tickets of admission will be required for the other

galleries, all of which will be open to the public at two o'clock in the afternoon.

On the motion of Right Hon. Mr. Meighen for the adjournment of the House:

Mr. MACKENZIE KING: May I ask my right hon. friend two questions? Will he inform the House if the Government has reached any decision as to sitting on Tuesday of next week? Also what business shall we take up later in the day?

Mr. MEIGHEN: I will make a statement as to sitting on Tuesday later to-day. The business for to-day will be Committee of Ways and Means and other Government orders now on the Order Paper.

Motion agreed to and the House adjourned at 5.40 a.m. Friday.

Friday, May 20, 1921.

By order of the House,—See resolution p. 3691—the following printed as a preface to Hansard of this day:

Members of the House of Commons and the Senate assembled at 2.30 o'clock p.m., Honourable Edgar N. Rhodes, Speaker of the House of Commons, presiding, and the officers of either House in their respective places. His Excellency, the Duke of Devonshire, ê.G., G.C.M.G., G.C.V.O., P.C., etc., occupied a place at the right of Mr. Speaker. There was present as the guest of honour Right Hon. James W. Lowther, LL.M., D.L., D.C.L. (Oxford and Leeds), LL.D. (Cambridge), M.P., etc., lately Speaker of the British House of Commons and joint President of the Empire Parliamentary Association, United Kingdom Branch, accompanied by Sir Howard d'Egeville, K.B.E., Secretary of the United Kingdom Branch of the Empire Parliamentary Association. The galleries were filled to overflowing with invited guests and the general public.

Hon. EDGAR N. RHODES (Speaker of the House of Commons): I would that my duties were all as delightful and agreeable as the one which devolves upon me at the moment. The conventions have prescribed that there should be a formal introduction of speakers on the occasion of a gathering of this character. I am sure however, that it is not a convention which calls upon me to introduce the gentleman who will address you, because his name is well known throughout the British Empire. It is honoured in parliamentary circles and wherever British government is known, and I need hardly say that it is revered by the House of Commons of Canada. I present to you the Right Honourable James W. Lowther.

Right Hon. JAMES W. LOWTHER: Mr. Speaker, and gentlemen of the House of Commons of Canada: I come here to-day as the ambassador of the Empire Parliamentary Association, United Kingdom branch. Every ambassador, before he is listened to, has to present his credentials, and I propose, if you will permit me, verbally to follow that precedent.

My credentials, then, are that I have been, ever since its initiation, the president of the Empire Parliamentary Association —I ought, perhaps, rather to say that I have been a joint president, for my colleague is the Speaker of the House of Lords for the time being, the Lord Chancellor. The Empire Parliamentary Association is, as I think you all know well, an association which was formed ten years ago for the purpose of bringing into contact and communication the members of the different Parliaments of the United Kingdom and of the Dominions which are all under the British flag. That is their chief end and object, and it is carried out in various ways. We are always delighted in London to receive the visits of any members of Dominion Parliaments who happen to come to the metropolis, and we believe that by intercommunication and by the exchange of our respective ideas, the general interests of the Empire, to which we are all devoted, may be best furthered. I come here, then, as their representative and at their request.

But I have another qualification, I think, to which Mr. Speaker has just referred. It is that for sixteen years I have presided over the deliberations of the House of Commons, and it is only a week or two ago since I stepped down from the Chair. Now, my purpose in coming here is to carry to you gentlemen of the House of Commons of Canada the very friendliest greetings and the best wishes of the branch of the Empire Parliamentary Association established in London.

We heard with deep regret of the terrible calamity which overwhelmed your chamber in February, 1916. We were, I think, all the more sympathetic owing to the fact that a similar calamity had almost one hundred years ago overwhelmed the old Houses of Parliament at Westminster. And when we heard that you had erected for yourselves the magnificent building which

I have had this morning an opportunity of inspecting, a number of members, both peers and members of the House of Commons, were anxious to do what they could to assist in completing the beautiful edifice which was being reared in Ottawa. Their first idea, I may tell you, was to offer to you a replica of the Table in the House of Commons—a table which was once described by Mr. Disraeli, when he professed to be alarmed at the gesticulations of Mr. Gladstone, as "this substantial piece of furniture which happily divides us." On second thoughts, however, it was decided that a table rather connoted conference, but that a chair, a replica of the Speaker's Chair, would be more suitable as being more emblematic of parliamentary institutions and more symbolic of the authority which rests with every Parliament.

Now, the Chair, which for the moment is veiled with the Union Jack, is an exact replica of the Speaker's Chair in the House of Commons, which was erected in that building in 1844. Above the Chair, in the canopy, you will observe, when the flags are removed, the Royal Coat of Arms. This is carved out of a peice of oak which until recently has formed part of the roof of Westminister Hall. The roof of Westminister Hall was erected in the time of Richard II, in the year 1397. I think, imitating the celebrated mot of Napoleon, I can fairly say that from here five centuries will look down upon you.

The Chair was designed by the well-known architect, Mr. Pugin, and the replica has been carried out by Sir Frank Baines. The Chair brings to mind the names of eminent statesmen who, from time to time, have addressed its occupant. I need only refer to the great names of Sir Robert Peel, Lord Palmerston, Lord John Russell, Mr. Disraeli, Mr. Gladstone, Mr. Asquith, Mr. Balfour, Mr. Lloyd George. The inscription in front of the Chair, which you will observe when the Chair is more open to view, recalls what I think I may call this historical occasion. The occupants of the Chair, before I had the honour of taking it, were Mr. Shaw Lefevre, Mr. Denison, Mr. Brand, Mr. Peel and Mr. Gully. And, showing how long my Parliamentary career has been, I may add that I have seen in the flesh everyone of those gentlemen, and that I have sat in Parliament under no less than three of them.

But the Chair is something more than a mere gift of friendship on the part of the Empire Parliamentary Association towards yourselves. It acknowledges, I think, in its presentation by us and its acceptance by you, the great principle which has been accepted by Great Britain and by all the Dominions within the British Empire, that Government of the people, by the people, and for the people, is best carried out through Parliamentary institutions. That is the best-known method by which a free people can govern themselves, and by which their aspirations or their aversions can be either realized or removed.

The donors cherish the hope that this Chair, presented to the House of Commons of Canada, will, within the walls of this magnificent building at Ottawa, bear an everlasting testimony of the goodwill existing between the members of Parliament and the Mother Country, and of the long sucession of parliamentary traditions inherited conjointly by the free nations of the British Empire.

In 1918, the members of the Empire Parliamentary Association of the United Kingdom presented to the Senate of Canada a Black Rod to replace the one which was burnt in the conflagration, and they hope that the gift now made to this House to replace the Chair destroyed by the same fire will be considered as essential to parliamentary proceedings and will forever stand as the symbol of the good-will and the earnest desire for still more cordial and closer relations between the members of the Parliament at Westminster and their colleagues in the Parliament at Ottawa.

Finally, I would say that the Speaker's Chair is the symbol not only of Parliamentary Government as evolved by the great constitutional elements of the commonwealth of nations, but of authority, the authority of the individual selected by his colleagues to preside over them, authority to regulate debate, to mainain order and to ensure the free expression of all opinions. It marks, therefore, not only the similarity and the continuity of Parliamentary institutions in the New World as in the Old, but it emphasizes the principle that, without law, order and authority, there can be no true freedom. Upon the Chair itself you will find this principle enshrined in the succinct maxim: "Libertas in Legibus."

It is the hope then of the donors that the Parliamentary instincts and traditions which, "broadening down from precedent to precedent," have come to us in St. Stephen's, may flourish and abound in this country, and that when this generation and future generations look upon this Chair, the sight

may kindle in their hearts a spark, nay, I would rather say a flame, of respect and admiration and, I trust, affection for the "Old Country."

Mr. SPEAKER: Your Excellency, Mr. Lowther, gentlemen of the House of Commons—one year ago a cablegram was received by the Speaker of this House from the Secretary of the United Kingdom Branch of the Empire Parliamentary Association conveying the offer of a Speaker's Chair "as an abiding token of goodwill between both Parliaments."

Acceptance would obviously involve the necessity of foregoing a custom which has obtained in Canada almost since the inception of responsible government, that the retiring Speaker should take with him the Chair which he occupied during his term of office. But the spirit which prompted the proposal of so fine a gift and the accompanying expressions were of such a character that no shadow of doubt as to its acceptance could exist, and accordingly on June 8, 1920, on the motion of the Prime Minister, seconded by the leader of the Opposition, it was unanimously resolved:

That the offer of a Speaker's chair to the House of Commons of Canada by the Lord Chancellor and the Speaker of the House of Commons as Joint Presidents and by the members of the Empire Parliamentary Association in the House of Lords and in the House of Commons of the United Kingdom be most gratefully accepted, and that Mr. Speaker do inform the donors of the high appreciation of this House for the gift, and particularly for the sympathy and goodwill which it expresses.

We now see the Chair in its permanent home. An object of beauty—the finished product of expert craftsman. It is this, and far more than this. It comes to us surmounted by the Royal Arms carved from the oak of old England, which has viewed from the roof of Westminster Hall the changing scenes of the great Mother of Parliaments since the fourteenth century. It brings with it hallowed associations in its being a replica of the Chair at Westminster, a gift from our brother parliamentarians across the sea. It will be valued because it has been brought to us by one who occupied the original with singular acceptance and distinction during sixteen stirring and epoch-making years in the history of Great Britain.

As the years roll by new memories, traditions and sentiments will mingle with those of a far-off past challenging and inspiring future generations to maintain those cherished institutions which through the centuries have been inseparably associated with this ancient seat of authority.

We gratefully accept, we thank the donors for this treasured gift, and to you, Mr. Lowther, we are deeply grateful for the honour you have done us in making the presentation in person.

Mr. Speaker then took the Chair.

Mr. SPEAKER: To preserve the bi-lingual character of the House of Commons, which was so happily recognized by you, Mr. Lowther, I shall call upon the Deputy Speaker (Mr. G. H. Boivin) to follow me in French.

The DEPUTY SPEAKER (Mr. Boivin): (Translation.) May it please Your Excellency, Mr. Speaker, Right Hon. Mr. Lowther.

It is a signal honour for me to speak on behalf of the French Canadian representatives and French Canadians of Canada in order to add a few words to those the Speaker of the House of Commons has just delivered.

We see in the Senate the Throne occupied by Your Excellency as the representative of our illustrious Sovereign George V.

In the House of Commons, the Speaker's Chair is the throne of the people, the symbol of the citizens' authority. He who occupies the Chair is the spokesman of the representatives elected at the polls and when speaking, he speaks with all the authority arising from prerogatives obtained through many centuries of struggle, from the time of the Magna Charta up to the present day.

Thanks to the genius of the British people, our parliamentary institutions have reached a stage of perfection which is envied by the whole world and secures to the minorities the absolute enjoyment of their rights and prerogatives. The generous donors of this Chair, a replica of the one which you, Mr. Lowther, have so gracefully occupied for sixteen years, wanted to bear witness to the fact that the Parliaments of the Dominions are enjoying no lesser privileges than those pertaining to the renowned Parliament of the United Kingdom.

From that Chair at Westminster, one of your illustrious predecessors, in 1867 put the question and called for the votes which guaranteed to us the British North America Act, the shield of our liberties, our rights and prerogatives. It is owing to that Act that we, from the province of Quebec, will ever be entitled to send here

sixty-five representatives and to speak in these precincts the ever beautiful French language. It is owing to the beneficient influence of that constitution that those who sit in this Chair must alternately be of English or French-Canadian blood. We hope that the rulings given from this Chair shall always bear the stamp of the same knowledge of parliamentary procedure, the same righteousness and impartiality, the same courteousness which characterized yours, Sir, during the sixteen years you have occupied the Chair of the Mother of Parliaments at Westminster.

Let me conclude with a word more expressive than the few remarks I have made to the House, so that you may convey it to the generous donors you are representing to-day. I also address it to you as a token of gratitude for the long journey you have undertaken so as to present us with that gift and to offer us a living testimonial that the statesmen of England can speak like us the language of our ancestors. When translating that word, you will find in it, I hope, all that our French-Canadian heart feels; it is one of the softest, the most expressive words in the French vocabulary: "Merci."

Right Hon. ARTHUR MEIGHEN (Prime Minister): Mr. Speaker, Your Excellency, Mr. Lowther, and Gentlemen of the Parliament of Canada:

You, Mr. Speaker, and the Deputy Speaker as well, have couched in very few words the sentiments that animate us all on this occasion, sentiments that I believe are shared not only by every member of this House but by every Canadian worthy of the name. The presentation of this Chair is an event of real significance. Possession of so splendid and beautiful an ornament adds immensely to the attractions of this chamber but what is of infinitely greater moment it will hold before our eyes throughout the long, we hope unending years of parliamentary government in Canada the symbol of the great mother Parliament of which ours is the offspring and the replica. It will stand as well as evidence of that sense of fellowship felt for us in the old land the helpful results of which we have through all our history enjoyed.

Every nation has made its own characteristic contribution to the world's advancement. Rome has given her simple but sane principles of law, Greece her ideals of beauty, Israel her ideals of religion; Italy has brought us something, Russia even has brought us something; France has brought us much. It is the peculiar glory of England that she has given to her daughter nations the model, and to the world the example of popular institutions of government. Just when the British Parliament took its birth historians hesitate to say, neither its birth nor its growth has been marked by any convulsion, by any easily discernible recasting or innovation. Time and events have done their work along sound and natural lines and wisdom has always presided in the process. This Chair will embody for us British traditions, it will remind us from day to day through the stern trials of the future of British wisdom and British patience.

In Canada we are not all of one race; a large part are of French descent. But I shall echo and anticipate the words of those who in the ceremony of this afternoon will especially represent French Canadians, just so far as to say that they as well as we of Anglo-Saxon blood are attached to the free institutions that we inherit from old England, that they believe as firmly as we in the essential rightness and fitness of the form of Government that she developed and that now is ours.

It is worth noting, indeed to me it is a valuable fact, that this gift from British Parliamentarians to the Canadian Parliament is carved out of English oak. The piece that is now the Royal Arms surmounting the Chair is cut from the rafters of the great Hall of Westminister. In the blood of every race there is something, there is some characteristic of every leading race that accounts for its place and power, indeed for its survival. It is the sturdy oak fibre of the British people that has carried them in triumph through the storms and perils of a thousand years.

We are honoured, very highly honoured, in having this Chair presented by the Right Hon. Mr. Lowther—the more so because he has travelled from London to perform this ceremony himself. For sixteen years, heavy, crucial, and eventful years, Mr. Lowther has presided over the House of Commons of Great Britain, and always with singular dignity and capacity. The name of his family has been associated with the public service of England ever since or almost ever since there was any England to serve. Within the walls of the British Commons for centuries back there has sat one of his line. It is therefore a memorable event for us that he should signalize the close of a long and distinguished service as first Commoner in the Mother of Parliaments by coming among us and presenting in person this visible

and lasting link between the Commons of Britain and the Commons of Canada.

I am sure we, one and all of us, are grateful to the United Kingdom branch of the Empire Parliamentary Association, and particularly to the President who is here and to his co-President. We value this Speaker's Chair as we value the sense of fellow-citizenship in the British Empire which it is intended to express and to ensure.

Right Hon. Sir ROBERT BORDEN (ex-Prime Minister of Canada): Mr. Speaker, Your Excellency, Mr. Lowther—Little remains to be said after all that has been so eloquently and appropriately uttered by the Speaker, the Deputy Speaker, and the Prime Minister. May I ask to be associated with them in profound appreciation of this gift from the Empire Parliamentary Association of the United Kingdom; in appreciation also of the presence of Mr. Lowther, whose name is as well known in Canada as it is in the Mother Country, and who has served, not only the United Kingdom but the Empire, in the Speakership of the British House of Commons.

Just one thought, perhaps might be added. The parliamentary institutions which we have inherited and which we hold as of right and not of grace, were won by a common ancestry, and through gradual evolution and development during the past five or six centuries. I say a common ancestry advisedly, because it was under the leadership of Norman Barons that the Saxon people forced the Great Charter from a reluctant Norman King. The man who summoned the first gathering that might be regarded as the forerunner of the Commons House of Parliament of Great Britain, as well as that of Canada, was a Frenchman, born in France. He well served our country by calling together the Commons of England at Westminster on January 20, 1265. Thus, we can look back with satisfaction upon the fact that Saxon and Norman, five or six hundred years ago, stood side by side in the assertion of liberties that are ours to-day. With even greater satisfaction we remember that, since the establishment of representative and responsible government in this country, Canadians of French descent have co-operated effectively and whole-heartedly with those of British descent in developing our political institutions and asserting our liberties in this Dominion:

It is perfectly true, as has been observed this afternoon, that the present system of parliamentary government has been of gradual evolution. One hundred years ago there was in Great Britain representative and responsible government, but the House of Commons was then representative of what was called "an educated minority." To-day the Parliament of the United Kingdom is representative of nearly the whole people. In Canada the franchise began to be extended somewhat earlier than on the other side of the Atlantic. It now includes practically the entire community. I am sure that the influence of women in public life in both countries will be for the best. Already in Great Britain, Mr. Lowther has had the honour of having associated with him in Parliament a lady member of the House. So we in the near future, I imagine, may expect to see ladies sitting within the precincts of this chamber. It is even quite possible that some lady of distinguished parliamentary service may eventually attain the Chair, where I am sure she will preside with great dignity and impartiality.

Finally, Mr. Speaker, I desire once more to express my very great gratification that this gift has been made. During all the years to come it will serve as a symbol of the common purpose of these two parliaments; and I trust that this common purpose may ever tend toward the maintenance of liberty, autonomy, and justice, towards the attainment of the highest ideals of democracy for which it is our duty constantly to strive.

Hon. W. L. MACKENZIE KING (leader of the Opposition): Mr. Speaker, your Excellency, Mr. Lowther—The constituent elements of Parliament here represented do right in regarding the present moment as one of historic significance. There are under British parliamentary institutions two symbols of authority—the Crown, which speaks of the sovereignty of royalty; the Speaker's Chair, which speaks of the sovereignty of the people. That, under the ægis of the British flag, these two sovereignties have blended into one, is a tribute not less to the character and devotion to duty of the occupants of the British throne than to the genius of the British peoples in the art and science of government.

On this occasion, we have these sovereignties not only represented in the symbols I have mentioned; we have them personified in the distinguished presence of His Excellency the Governor General and the presence of the eminent statesman who has crossed the seas to make to this Parliament and the people of Canada the gracious gift

from our brother parliamentarians at Westminster, which by you, Mr. Speaker, has just been accepted in terms so adequate and appropriate.

It was said of our illustrious Queen Victoria that

> Statesmen at her council met
> Who knew the seasons when to take
> Occasion by the hand, and make
> The bounds of freedom wider yet.

We of this Parliament of Canada, reverencing British lore, and schooled in British parliamentary traditions, recognize in this moment such an occasion. We recognize in our parliamentary institutions, fashioned as they are upon the British model, the greatest guarantee of freedom which a people can possess. We recognize that in the preservation and extension of the principles of government underlying our free parliamentary institutions lies the possibility of our largest contribution to the freedom of mankind. Further, we recognize that it is around the Speaker's Chair that in the Mother of Parliaments the battles of political freedom have been waged, and in appeals to the authority of the Chair, as the symbol of a people's sovereignty, that British political liberties have been won.

We accept, therefore, this gift with a full appreciation of all that it signifies of what we owe of freedom to the Parliament at Westminster, and of courtesy and goodwill on the part of the members of the United Kingdom Branch of the Empire Parliamentary Association; and we ask you, Mr. Lowther, in conveying the thanks of this Parliament and of the Canadian people, at the same time also to convey the assurance that it will be our high privilege to seek to preserve, with due regard to its rightful dignity and authority, and its ancient and honourable tradition, this noble expression of the freedom and unity of the British peoples so generously committed to our charge.

Hon. THOMAS ALEXANDER CRERAR (leader of the National Progressive party): Mr. Speaker, Your Excellency, Mr. Lowther,—There is not much left for me to say on the present occasion. I am reminded however, that it has this fortunate aspect for us. Uusally the debates that take place in this chamber are not attended with the entire unanimity that has marked the proceedings this afternoon; and consequently it is a happy occasion when for the time being we can forget our controversies in the chamber and centre our thoughts on a united purpose. The circumstance is not an ordinary one. We to-day, in the admirable words of Mr. Lowther, have been presented with a replica of the Speaker's Chair in the great Mother of Parliaments. That, because of the preeminence of British institutions and parliamentary government, is a matter of no small consequence to us. I am reminded of the fact that Canada has enjoyed now for many years the precious boon of self government. It is a tribute to the genius of the Anglo-Saxon people that they have always endeavoured to build upon the broad foundation of freedom, and there is no finer or greater word in the whole Anglo-Saxon lexicon. We have also—and rightly and naturally so—derived our inspiration in parliamentary government from the Mother Country. We are familiar enough with history to know the struggles that have gone on in the Old Land for many centuries past, resulting in bringing the system of parliamentary government we have up to the state of perfection that we at present enjoy. It is also peculiarly fitting, Sir, that this Chair should come from the United Kingdom Branch of the Empire Parliamentary Association. That association embraces the self-governing Dominions of the Empire, and it is a great honour to this House that we should receive from them this splendid testimony of their good-will and affection for us.

I wish also to join my voice with those who have preceded me in saying that we are greatly honoured to-day in having with us the distinguished right hon. gentleman who for so many years presided over the deliberations of the British House of Commons. As Sir Robert Borden has stated, Mr. Lowther's name is not unknown in Canada; in fact, it is almost as well known here as in the Mother Land; and I am sure we all feel the deep debt of gratitude we are under to him for the trouble he has taken in coming to Canada to make this presentation in person.

This Chair will grace this chamber long after we who are now participating in the activities of this House have passed from the stage. It will be a constant reminder to the generations who come after us of the greatness and grandeur of British parliamentary institutions, and, moreover, it will be a lasting link with the Empire to which we are proud to belong.

Hon. RODOLPHE LEMIEUX (Maisonneuve and Gaspé): (Translation.) Your Excellency, Mr. Lowther, Mr. Speaker; I thank you for the honour of the invitation which you have extended to me to address

you on the occasion of the historical event for which we are here to-night. You have wished to render homage to the French minority, and I am doubly thankful to you.

In behalf of my colleagues, in behalf of French-Canada, I greet the distinguished guest who, by carrying out this trust, renews the ties of old-time and very friendly intercourse between the British Parliament and the Parliament of Canada. We know of his brilliant career, and also that, his exercise of the high function conferred upon him has caused parliamentary institutions to be the more loved and respected. Let him be welcome in our midst.

The new Speaker's chair, cut and carved out of the veneral wainscoting of Westminster Hall, is more than an ordinary ornament. It is an emblem, it is a symbol.

To have established throughout the world those institutions wherein lies so much of her glory and her power, will be to the everlasting honour of the Mother Country.

The parliamentary system is based on three principles: Liberty, justice and order.

He who presides over the debates of the representatives of the nation, and is well impressed with these fundamental principles, is worthy to occupy the Chair, which, by a happy fiction, symbolizes these principles.

It is a well acknowledged fact, Sir, that you have been one of the great "Speakers" who have honoured the British Parliament —a parliament which has so often been ruled solely by the master will of genius in the course of the last two centuries; a parliament whose historical walls have echoed the greatest events of modern history, and have resounded with the eloquent pronouncements of generous and pure minds, in turn proclaiming the abolishment of the slave-trade and the emancipation of Catholics, the framing of the Quebec Act, in 1774, and the granting to the Dominion of the privilege of responsible government.

Need I recall that in the long history of European civilization, which made its way as best it could through wars, despotism, revolutions, your Parliament was one of the rare sanctuaries where human eloquence which needs freedom to be powerful, and some sense of safety to be quite free, began to soar.

With Chatham and Pitt, Burke and Fox, Wilberforce and O'Connell, Bright and Peel, Gladstone and Disraeli, what illustrious ancestors you can claim! Those great models were the inspirators of Baldwin, and Lafontaine, Macdonald, Cartier, McGee, and of him whose great soul hovers within these precincts, Wilfrid Laurier.

May I add that we, Canadians of French ancestry, claim the institution of the parliamentary system as a family inheritance! Our ancestors, the Norman barons—whose signatures bear witness—wrested the Great Charter from King John, and Simon de Montfort was the first to bring together royalty, aristocracy and the people whose union formed the Parliament.

We all know that our language—the most beautiful ever uttered by human lips—was erstwhile the official language of the British Parliament.

By a happy turn of events, destiny—or better said, Providence, willed it that the sons of the victors on the plains of Abraham should become over the vast expanse of the New World, the associates of the descendants of the victors on the Hastings battlefield. Our dual origin and language present to the world a most interesting sight. We flatter ourselves with the thought that variety is an element of beauty and that this dual condition is a promise of harmony and unity. There are neither victors nor vanquished in this country. Being all equal in the eyes of the law, we want to take a hand in the common task, that is the development and the greatness of our country, under the guidance of the Crown whose motto is particularly dear to us, since it is expressed in a tongue whose accents are familiar to us, the cheering hope and the uplifting reality: "Dieu et mon droit."

Mr. Speaker, availing yourself of your prerogative, you have applied to me the rule of closure, a recent institution which has come over to us from the British Commons. With your permission I shall add a few words, intended for Mr. Lowther.

We have heard that he had taken leave of the House of Commons and that he would soon cross the historical threshold of the House of Lords.

A famous French writer who was travelling through England entered Westminster Hall one day. And here are the impressions which he confided to one of his friends: "I found, said he, the English middle class largely represented in the Commons, but when I read the mottos covering the walls and glazed windows of the House of Lords, there was not the slightest doubt left in my mind as to my being still in the very home of the old Norman aristocracy."

Mr. Lowther, you will soon return to London, and please accept our best wishes. If our French voices can be heard across

the ocean, we beg our cousins over there to welcome you in that chamber of the British Parliament where, after many centuries, are still sitting the descendants of the old Norman aristocracy.

Mr. SPEAKER: I am sure I voice the unanimous desire when I express the hope that His Excellency will do us the honour of addressing us.

His Excellency the DUKE OF DEVONSHIRE, Governor General of Canada:

Mr. Speaker, I hope I may express my grateful thanks to the House of Commons and yourself for having so made the arrangement for this historical and significant occasion as to allow me to be present. As far as I know, neither in the letter nor in the spirit have any of the justly-guarded privileges and traditions of the House of Commons been in any way encroached upon, and I hope I may take it as a happy omen for the future that the cordial relations that I have enjoyed will always exist between my successors in the distinguished office which I now have the honour to hold, and the members of the House of Commons.

The ceremony we witness this afternoon will hold an honoured place in our parliamentary records. The present and future members of the House of Commons will, I know, always have the same respect and veneration for this Chair that their colleagues have for its prototype in the venerable assembly which throughout the Empire we are proud to call the "Mother of Parliaments."

To myself as a former member of the House of Commons the occasion is one of special interest, and that interest is enhanced by the fact that the presentation has been made with characteristic charm and grace by an old House of Commons friend and colleague. I am afraid that I cannot honestly say that I have any reason to believe that Mr. Lowther during his long and distinguished career, first as chairman of committees and then as Speaker, had any particular reason to be impressed with any utterances of mine. At any rate, I think I can claim the satisfaction of knowing that to the best of my belief I never caused him any anxiety.

I join with you in the expression of grateful appreciation of the gift and in the confidence and assurance that the spirit which prompted it is sincerely reciprocated and will still further strengthen the ties which bind the two Parliaments together.

Right Hon. Mr. LOWTHER: The House will forgive me if for one moment I say that in addition to the Chair and in complement to it I have brought, on behalf of the Empire Parliamentary Association, this framed scroll with an inscription in front and a list at the back of all the peers and the members who have subscribed toward the gift which you have so generously and so amiably accepted.

[The proceedings were brought to a close by the singing of the National Anthem by all present, and before the meeting dispersed, hearty cheers were given for His Excellency the Governor General and the Right Honourable Mr. Lowther.]

Friday, May 20, 1921.

The House met at Three o'clock.

THE SPEAKER'S CHAIR

EXPRESSION OF THANKS TO EMPIRE PARLIAMENTARY ASSOCIATION

Right Hon. ARTHUR MEIGHEN (Prime Minister): I beg to move, Mr. Speaker, seconded by Hon. Mr. Mackenzie King:

That the grateful thanks of this House be extended to the Lord Chancellor and the Speaker of the House of Commons, as Joint Presidents, and to the members of the Empire Parliamentary Association, United Kingdom Branch, for the Speaker's Chair presented on their behalf this day by the Rt. Hon. James W. Lowther, and that Mr. Speaker do inform the donors of the high appreciation of this House for the gift and for the expressions of goodwill which accompany and will ever be associated with it, and of the great honour which has been shown by the welcome visit of the Rt. Hon. James W. Lowther.

Motion agreed to.

EXPRESSION OF THANKS TO RIGHT HON. Mr. LOWTHER

Right Hon. ARTHUR MEIGHEN (Prime Minister): I beg to move, seconded by Hon. Mr. Mackenzie King:

That this House deeply appreciates the honour paid it by the visit of the Rt. Hon. James W. Lowther, late Speaker of the House of Commons of Great Britain, for the purpose of presenting the Speaker's Chair, and that Mr. Speaker do convey to him the thanks of this House for his visit and its sense of appreciation of the high honour and compliment which it implies.

Motion agreed to.

ADDRESSES TO BE PRINTED IN 'HANSARD'

Right Hon. ARTHUR MEIGHEN (Prime Minister): I beg to move, seconded by Hon. Mr. Mackenzie King:

That what has been said this day at the formal presentation of the Speaker's Chair, which took place prior to the opening of the House, by

His Excellency the Governor General, the Rt. Hon. J. W. Lowther, Mr. Speaker, Mr. Deputy Speaker, the Prime Minister, the Rt. Hon. Sir Robert Borden, the Hon. Mackenzie King, the Hon. T. A. Crerar, and the Hon. Rodolphe Lemieux, be printed in 'Hansard' as a prefix to the proceedings of the day.

Motion agreed to.

REPORT PRESENTED

Annual report of the Department of Public Printing and Stationery for the fiscal year ended March 31, 1920—Sir Henry Drayton.

GRAND TRUNK SHAREHOLDERS

Right Hon. ARTHUR MEIGHEN (Prime Minister): Mr. Speaker, I am not able—indeed, I am not sure that I would be physically able to do so—to lay on the Table a return asked for some long time ago, ordered by the House at the instance of the hon. member for Chambly-Vercheres (Mr. Archambault) calling for a list of the shareholders of the Grand Trunk Railway. I have made inquiries, however, and I find that the return was asked for from the Grand Trunk through the President, Mr. Kelly, on October 23, 1919. He was asked to supply the names of the shareholders of the Grand Trunk Railway Company as they appeared in the books of the company on October 19, 1919. I find that there has arrived a large packing case completely filled, containing the names of the shareholders of the Grand Trunk Railway; that it contains over 70,000 names and addresses; that it is available in the Records Branch of the Department of Railways and Canals and is there for the inspection of the hon. member for Chambly-Vercheres or any other member of the House or the Senate who desires to examine them. The memorandum furnished to me says that unfortunately it is not in duplicate but in handwritten form, on very large and specially ruled and printed sheets with nine separate columns covering each particular class of Grand Trunk stock. This list has been required in connection with the Grand Trunk arbitration proceedings, and had to be sent twice to Montreal. It is in the Department at present and is available.

PRIVATE BILLS

FROM THE SENATE—FIRST AND SECOND READINGS

Bill No. 167, respecting certain Patents of Autographic Register Systems, Limited.—Mr. DuTremblay.

Bill No. 168, to incorporate Edmonton and Mackenzie River Railway Company.—Mr. Mackie (Edmonton).

Bill No. 169, for the relief of Rose Seigler Schatsburg.—Mr. Jacobs.

Bill No. 170, for the relief of Eudora Edith Webster Perry.—Mr. Baldwin.

Bill No. 171, for the relief of John Howard Ferguson.—Mr. Ross.

Bill No. 172, for the relief of Edith Myrtle Barnes.—Mr. Fripp.

Bill No. 173, for the relief of Sherman Talmage Smith.—Mr. Fripp.

Bill No. 174, for the relief of John Hurst.—Mr. Fripp.

Bill No. 175, for the relief of Florence Gibb.—Mr. Copp.

Bill No. 176, for the relief of Norah Beatrice McDonald.—Mr. Douglas (Strathcona).

Bill No. 177, for the relief of Mabel Alice Allport.—Mr. Douglas (Strathcona).

Bill No. 178, for the relief of Abbie Jane Harris Wigle.—Mr. Douglas (Strathcona).

Bill No. 179, for the relief of Walter Edwin Sloan.—Mr. Sheard.

Bill No. 180, for the relief of James Leslie Glover.—Mr. Boys.

Bill No. 181, for the relief of William Gordon Gordon.—Mr. Currie.

Bill No. 182, for the relief of Anna Elizabeth Walker.—Mr. Fripp.

Bill No. 183, for the relief of Arthur Wilfred Rigby.—Mr. Mowat.

Bill No. 184, for the relief of Albert Sidney McPherson.—Mr. Clarke (Wellington).

Bill No. 185, for the relief of Ernest Alfred Ballard.—Mr. Clarke (Wellington).

Bill No. 186, for the relief of William Gladstone Cook.—Mr. Clarke (Wellington).

JUDGE SNIDER'S REPORT

On the Orders of the Day:

Hon. W. L. MACKENZIE KING (leader of the Opposition): Is the Prime Minister now in a position to say when Judge Snider's report will be brought down?

Right Hon. ARTHUR MEIGHEN (Prime Minister): I have heard nothing at all about the report. As far as I know, the report, after the final sitting, is not in. I am informed just now that it is not in.

Mr. MACKENZIE KING: Not been made?

Mr. MEIGHEN: No.

VICTORIA DAY

On the Orders of the Day:

Hon. W. S. FIELDING (Shelburne and Queen's): Is it intended that the House shall sit on May 24?

Right Hon. ARTHUR MEIGHEN (Prime Minister): It is not the intention to sit on May 24.

WAYS AND MEANS

CUSTOMS TARIFF, 1907, AMENDMENT

The House in Committee of Ways and Means, Mr. Boivin in the Chair:

1. Resolved, That it is expedient to amend The Customs Tariff, 1907, by inserting the following section immediately after section 8:

8a. Notwithstanding anything in this Act, goods, other than tobacco, cigars, cigarettes, spirituous or alcoholic liquors and articles specified in Schedule A of The West Indies Trade Agreement Act, the produce or manufacture of

British Honduras;
Bermuda;
the Bahamas;
Jamaica;
Turks and Caicos Islands;
the Leeward Islands (Antigua, St. Christopher-Nevis, Dominica, Montserrat, and the Virgin Islands);
the Windward Islands (Grenada, St. Vincent and St. Lucia);
Barbados;
Trinidad and Tobago; and
British Guiana

when imported direct therefrom shall not be subject at any time to more than fifty per centum of the duties imposed on similar goods as set forth in the General Tariff under regulations by the Minister of Customs and Inland Revenue.

Mr. DuTREMBLAY: As regards the duty on tobacco and manufactured cigars, is the duty based on the weight or on the value of the tobacco?

Sir HENRY DRAYTON: This is not an ad valorem duty, it is a duty based on the pound weight of the leaf tobacco. The duty is 40 cents a pound, fixed, of course, by the pound weight.

Mr. DuTREMBLAY: The quality of the tobacco has nothing whatever to do with the duty?

Sir HENRY DRAYTON: No.

Mr. DuTREMBLAY: Has the minister not received representations or requests from cigar makers and others, especially the labouring class, in regard to this duty, inasmuch as it affects the price especially of cheap cigars? We do now see on the market as many cigars for five and ten cents as we used to see, and I understand that this is due to the fact that the duty is based, not upon the value, but upon the weight. In the United States, I am informed, the duty is based upon the value and not upon the weight, so as to allow ordinary people to be able to get a better cigar at the same price. Some years ago I put similar questions to the Minister of Finance and he looked into the matter, and he was to investigate it more fully. Has any progress been made in this direction?

Sir HENRY DRAYTON: There are two duties that are related to the matter to which my hon. friend refers. In the first instance, of course, we have our duty on the leaf tobacco, the raw material, and that duty, which is an excise duty is, as I have stated, 40 cents a pound. As my hon. friend intimates, many requests have been made for a change. Growers of tobacco—and we now grow a great deal of tobacco in Canada,— on the one hand have asked for a customs duty rate of $1 per pound on their product, and on the other hand manufacturers and the cigar makers, to whom my hon. friend has referred, have made requests looking, not to an increase, but to a very substantial decrease in duties upon tobaccos manufactured in this country. The particular duty to which my hon. friend is referring is the excise duty on manufactured cigars. There is a great deal to be said on both sides, but it has been a subject which we felt, in view of other considerations, we could not at the present time interfere with. No change is made.

4 p.m.

Item agreed to.

2. Resolved, that Schedule A to the Customs Tariff, 1907, as amended by chapter 15 of the Acts of 1913, by chapter 26 of the Acts of 1914, and by chapter 5 of the Acts of 1914 (second session) be further amended by striking thereout tariff items 20, 21, 22, 23, 39b, 77a, 101, 101a, 103, 104, 110, 111, 113, 134, 135, 150, 151, 153, 156, 159, 160, 162, 163, 164 and 165, the several enumerations of goods respectively, and the several rates of duties of Customs, if any, set opposite each of said items, and to provide that the following items, enumerations and rates of duties be inserted in said Schedule A:

The CHAIRMAN: Shall this resolution be taken item by item? Carried.

Items Nos. 20 to 113 inclusive agreed to.

On item No. 134:

Tariff Items	——	British Preferential Tariff.	Intermediate Tariff.	General Tariff.
134	All sugar above number sixteen Dutch standard in colour, and all refined sugars of whatever kinds, grades or standards, not covered by tariff item No. 135, when not exceeding eighty-eight degrees of polarization, per one hundred pounds.....	$1.50	$2.00	$2.00
	when exceeding eighty-eight degrees but not exceeding eighty-nine degrees, per one hundred pounds	$1.52	$2.03	$2.03
	when exceeding eighty-nine degrees but not exceeding ninety degrees, per one hundred pounds.....	$1.54	$2.06	$2.06
	when exceeding ninety degrees but not exceeding ninety-one degrees, per one hundred pounds.....	$1.56	$2.08	$2.08
	when exceeding ninety-one degrees but not exceeding ninety-two degrees, per one hundred pounds.....	$1.59	$2.12	$2.12
	when exceeding ninety-two degrees but not exceeding ninety-three degrees, per one hundred pounds...	$1.61	$2.15	$2.15
	when exceeding ninety-three degrees but not exceeding ninety-four degrees, per one hundred pounds.....	$1.63	$2.18	$2.18
	when exceeding ninety-four degrees but not exceeding ninety-five degrees, per one hundred pounds..	$1.65	$2.20	$2.20
	when exceeding ninety-five degrees but not exceeding ninety-six degrees, per one hundred pounds.....	$1.68	$2.24	$2.24
	when exceeding ninety-six degrees but not exceeding ninety-seven degrees, per one hundred pounds...	$1.70	$2.27	$2.27
	when exceeding ninety-seven degrees but not exceeding ninety-eight degrees per one hundred pounds,...	$1.72	$2.30	$2.30
	when exceeding ninety-eight degrees but not exceeding ninety-nine degrees, per one hundred pounds....	$1.79	$2.39	$2.39
	when exceeding ninety-nine degrees, per one hundred pounds.....	$1.79	$2.39	$2.39
	Provided that refined sugar shall be entitled to entry under the British Preferential tariff upon evidence satisfactory to the Minister of Customs and Inland Revenue, that such refined sugar has been manufactured wholly from raw sugar produced in the British colonies and possessions, and not otherwise.			

Mr. FIELDING: Mr. Chairman, this is really the most important item. I wonder if my hon. friend has made any comparative figures showing the relation of the raw sugar to the refined article. The sugar duties are very complicated, I know, varying at every degree of the polariscopic test, and it is very difficult for the ordinary reader to comprehend them, and one might easily make errors of calculation. I would be glad if my hon. friend could give the committee any comparative figures showing how far he is changing the duty on the raw material, and how far he is changing the duty as respects the refined article.

Sir HENRY DRAYTON: The matter is, as my hon. friend says, extremely complicated. We have to start with the preference which we are obliged to give the West Indies. Apply that minimum preference of 25 per cent, we start out with a base line, and having made that base line we make our calculations accordingly. There is a slight difference between the base line adopted for the British preferential tariff and that adopted for the general tariff. That had to be done in order to give effect to the preference called for in the Act. The old base line for the British preferential was $1.52. That was the base line for the first of these items in No. 134. That is now being reduced to $1.50. Then for the purpose of carrying out the 25 per cent base line, the general tariff which was $1.93 becomes $2, and the matter works out progressively from that base line. The really important item, so far as the cost of sugar in this country is concerned, is the ninety-nine degree item, which gives us a rate of $1.79 for the British preferential tariff. The margin of protection on raw sugar which results, in the first instance, from item No. 134, and from item No. 135, does not in any way enlarge the protection on refining in Canada. This ninety-nine degree item, which is really the item of importance, resulting in a tax under the British preferential of $1.79, and $2.39 under the general tariff, may be compared to the tax in the United Kingdom for polarization, not under 98 degrees. The equivalent rate under the English law is $5.5763 as compared with our $2.39.

Mr. FIELDING: The matter is extremely complicated, I know. In the case of refined sugar you have to take 99 or 100

degrees, because it is of a high character, but if you take raw sugar at any figure, say, 90 degrees, perhaps the simplest way of explaining the matter would be for the minister to say what has been the duty heretofore on that, and what the new duty will be, and then we will see whether we are or are not having an increase on the raw material. If we make a similar computation with respect to the refined article, we can see how it works out. I am inclined to think, on first view—although I speak with reservation, because I know how difficult it is to make exact calculations in these matters—that what my hon. friend has done is to reduce the rates of duty on raw material and increase the duty on the refined article. It looks that way, but I do not wish to assert that too positively, because it would be necessary to make a careful computation before one could speak with absolute certainty. I thought my hon. friend would have some information on that point. Take sugar at 90 degrees; what does it pay now?

Sir HENRY DRAYTON: Ninety-six degrees is the standard on which raw sugar is really purchased.

Mr. FIELDING: Much of it comes below that. A good deal of sugar is imported below 96.

Sir HENRY DRAYTON: The old item for raws under the British preferential tariff was $1.03¾ for 96 degrees as against 85.7 under the new order. The item which determines the question of protection is the general tariff item, which amounted to $1.37½, and the margin which is required by the agreement in connection with that, in schedule A of the treaty is 86.016 cents. The hon. gentleman will see that we have cut that down very materially in order to get that spread. If we did not cut it down on the British preferential side in order to get that spread there would have been a large increase in the customs duty. We expect to get no more revenue at all, but we hope to be able to hold the present revenue.

Mr. FIELDING: The raw material, practically speaking, will all come in under the West India Treaty, and we get our raw sugar very largely from the West Indies now. The aim of the West India agreement, very properly, is to increase purchases from the West Indies, and therefore I think it would be quite right to assume that the raw material will practically all come in under that agreement. If I understand my hon. friend on sugar of 96 degrees the rate hitherto charged was $1.03, and a fraction, and the new rate will be 85 cents. There is, therefore, a distinct reduction of 18 cents on the raw material. Is that correct?

Sir HENRY DRAYTON: That is perfectly correct so far as the duty on the raw material is concerned. It has been cut down. We had to cut it down, or we should have had to increase the rate very much on the general standard. Although your preference is low, you do not buy at low prices. The exporter from the West Indies meets the competition which is open from the other fields, and I have been fortified in that conclusion by the remarks of my hon. friend in discussing the same question on previous occasions. Of course, human nature being what it is, my hon. friend was perfectly right; the benefit on all these preferences, generally speaking, will not come to the Canadian consumer; the benefit accrues to the exporter from the favoured country, unless, of course, the volume of trade is such that that advantage cannot be taken. But the fact is that the advantage can easily be taken. If I remember rightly, less than 50 per cent of our raw sugar manufactured in Canada comes from the British West Indies. I know I am quite right in saying that not more than 50 per cent comes from the West Indies, and it is perfectly obvious that there is not going to be any sugar bought in Canada at the lower standard having regard to that 50 per cent, and at the higher rate, having regard to the other 50 per cent.

Mr. FIELDING: The question as to who gets the benefit is a rather complicated one, and it is not necessary, for our purpose, to discuss it. We must confine ourselves to the duties; what their effect may be is a matter of argument. But if the legitimate aim on the West India agreement is to increase West India trade, it is a fair assumption that the bulk of our raw sugar—using that term broadly—will come from the West Indies. As a matter of fact, it comes largely from that section now, and under the agreement it will come in increasing qualities. Now, the rate on that raw sugar, which hitherto was $1.03, has been reduced to 85 cents, a distinct reduction—

Sir HENRY DRAYTON: 85.7.

Mr. FIELDING: —a distinct reduction in favour of the refiner of 18 cents. There is no doubt about that. The only possible question is how much sugar may come from some other quarter and pay a

higher rate; but as the great aim of the West India agreement is for us to buy all the sugar we can from the West Indies, it is not unfair to assume that the bulk of our sugar will come from there, and to the extent that it does the refiner has an advantage of 18 cents, as compared with the previous rate. Having established the fact that the refiner is to get the raw material at a lower rate, let us turn to the question of the refined article.

Sir HENRY DRAYTON: You will have to establish that.

Mr. FIELDING: I think I have stated the matter fairly.

Sir HENRY DRAYTON: There is a lower duty, but not a lower rate; it will not make the slightest difference in his rate.

Mr. FIELDING: We are not speaking of anything but the duty now. I am taking my information from my hon. friend, and I speak with all deference, because I know I could easily make a mistake in the matter. But I state the case again. Assuming that our raw sugar comes from the West Indies—and that is unquestionably the aim of the treaty, although, of course, occasionally, sugar will be imported from other places—the rate hitherto paid having been $1.03¾ on sugar of 96 degrees, and the new rate being 85 cents, there is a distinct reduction to the refiner of 18 cents per hundred pounds.

Now if you turn to the refined article I think my hon. friend will find he is working the thing the other way. When the West Indian Agreement was going through I asked the Minister of Trade and Commerce if it did not imply a reduction on the raw material and he said it did. I then asked "What about the refined article?" He replied "That will have to be dealt with under the general tariff revision". Now, according to my figures I find that while my hon. friend has reduced the duty on the raw material he has increased the duty on refined sugar, which is the only thing the people use. For all the purposes of refined sugar you have got to consider the operation of the preference—it will come from Great Britain, not from the United States. You are not going to get any considerable quantity of refined sugar from the United States. The most of that sugar that is coming in will come in under the British preference and, as I say, if my figures are correct, my hon. friend has reduced the duty on the raw material for the benefit of the refiner, and he has increased the duty on refined sugar which is the only thing the people use. Now there is the possibility that an error has been made in the calculation and I would like to ask my hon. friend to check the figures.

Mr. STEVENS: Before the Minister of Finance answers my hon. friend, I would like to point out to him that a very large quantity of sugar, in fact nearly all that is used in the western sugar refinery, comes from Fiji.

Mr. FIELDING: Fiji is a British possession and is entitled to the preference.

Mr. STEVENS: It is not included in what my hon. friend referred to, the West Indian reciprocal agreement.

Mr. FIELDING: My hon. friend is right. There would be a shade of difference in that respect, but he is quite correct.

The CHAIRMAN: Shall the item carry?

Mr. FIELDING: No. I would like to have an answer from the Minister. He is reducing the duty to the refiner and I would like to know how the duty is increased on refined sugar.

Sir HENRY DRAYTON: I was just trying to follow a calculation and I did not quite catch what my hon. friend said.

Mr. FIELDING: There was nothing new in my last observation, it was merely a repetition.

Sir HENRY DRAYTON: I think my hon. friend will find I am absolutely correct in this: Competitive sugars in the market, refined sugars, have always been foreign sugars. They have not been sugars manufactured in the West Indies, they have not been sugars manufactured under circumstances which can permit them to come in under the British preferential tariff. What we import under that tariff are raw sugars. The real competition in refined sugar—which as my hon. friend very properly says is the only thing that the people are interested in—is in foreign refined sugars chiefly from the United States where they get from time to time a very large quantity. Besides that there is a certain amount of refined sugar which comes in from the Orient; but the real competition, which affects the only market the Canadian consumer is directly interested in, is in refined sugar which comes from the United States. Taking refined sugar as of 99 and 100 degrees, as it is refined and sold, under the old tariff the rate per hundred pounds was 71½ cents. Under the present tariff the rate becomes

71 cents. In so far as the refiner in Canada is concerned his protection has been reduced by one-half of a cent having regard to his real competition. So far as regards the production of the raw materials for beet-root sugar on the other hand, the protection to the grower of beets has been largely increased. As the hon. gentleman says the public are interested in refined sugar, and that is exactly the position.

Mr. FIELDING: The duties on refined sugar are so high that under ordinary conditions very little comes in. This last year or so we have had abnormal conditions, and it is not perhaps fair to judge by that, but a comparatively small part of refined sugar is imported into Canada. We produce our own refined sugar, and I am not desirous that it should be otherwise, but I think that my hon. friend will find that he has—whether he intended to do it or not—given the refiners some advantage they did not possess before. However, I do not want to delay the passing of the items at the present time. Before the matter is finally disposed of I will be very glad to check up the figures my hon. friend has given and see whether my own interpretation is different from his. I think we may take this item and the next one together because they are related one to the other.

Mr. SINCLAIR (Guysborough): Before we pass this item I would like to get an explanation from the minister of the proviso at the foot of item 134 which reads as follows:

> Provided that refined sugar shall be entitled to entry under the British Preferential tariff upon evidence satisfactory to the Minister of Customs and Inland Revenue, that such refined sugar has been manufactured wholly from raw sugar produced in the British Colonies and possessions, and not otherwise.

Suppose that raw sugar produced in the island of Trinidad was imported into the United States and refined there. Can it come into Canada under the British preference?

Mr. FIELDING: No.

Mr. SINCLAIR (Guysborough): This language would seem to imply that it could, because it says that sugar that has been produced in the British colonial possessions, and refined is to have the benefit of the British preference. It is not declared that the sugar must come direct from the country of origin, apparently it may come from anywhere provided it is produced in a British colony. That is the meaning of the language as I understand it. If I am incorrect in that understanding I would like to have an explanation from the minister.

Mr. FIELDING: I am afraid I am responsible for that language and I would like to explain the situation. Of course, nothing from the United States comes under the preferential tariff, whether it be sugar or anything else. The object of that clause is this: The aim under the former arrangement—and I am quite sure we are not desirous of changing it now—was to give a bona fide preference to the West Indies. If the West Indies can send their sugar to England and Scotland and have it refined there and come into Canada that sugar would bona fide be entitled to the preference, whereas if other sugars coming from foreign countries were sent to England and Scotland and refined there, if the British preference applied, it would not carry out the purpose of our agreement.

Mr. SINCLAIR (Guysborough): It would be very easy to have a definition making it clear that the provision would apply to sugar coming from Great Britain or some of the British possessions. The present language is certainly open to the construction I have placed on it. Apparently the sugar may be refined anywhere provided the raw sugar was produced in a British colony. That seems to me to be the meaning of the sentence. If the intention is that it should apply where sugar produced in a British colony like Trinidad or Jamaica, and was afterwards refined in Great Britain or in any British possession, and subsequently introduced into Canada, it would be quite easy to claim language that would cover such a case.

Sir HENRY DRAYTON: I do not think anything has worked out wrongly or that there has been any real difficulty under the wording of this clause. It is a clause which was, I think, the subject of a great deal of careful study by my hon. friend the ex-Finance Minister in introducing what is really, after all, the whole bases of this particular kind of trade convention—his British preferential tariff of 1897. The wording of that Act stands unchanged, and we are merely continuing what in the light of experience has been found to work well.

Mr. FIELDING: I admit that the clause standing alone would be capable of that interpretation, but as the British

preference is distinctly confined to British countries, I think it is quite evident you have to read that into the clause.

Sir GEORGE FOSTER: For years it has worked out all right under this interpretation.

Mr. PEDLOW: The resolution says distinctly that articles specified in schedule A shall not be subject at any time to more than fifty per cent of the duties imposed on similar goods as set forth in the general tariff. This means that a number of these items scheduled in the general tariff would be allowed to come into Canada at a very much lower rate of duty than the same articles coming from Great Britain. I am sure that cannot be the intention of the Government.

Sir HENRY DRAYTON: I do not know anything in that section in which Great Britain is interested in the slightest. She does not grow sugar, limes or shaddocks. This is done having regard particularly to West Indian products, and the Act is entirely followed in the present resolution.

Mr. PEDLOW: Does not Great Britain manufacture sugar?

Mr. FIELDING: Not raw sugar.

Sir HENRY DRAYTON: Sugar is exempt from that provision.

Mr. PEDLOW: What about fruits, items 103 and 104?

Sir HENRY DRAYTON: There is no preference given to those items; those are fruits preserved in brandy.

Mr. PEDLOW: The resolution states, of course, the exception, "goods, other than tobacco, cigars, cigarettes, spirituous, or alcoholic liquors;" but these items 103 and 104 refer distinctly to preserved fruits. We get a quantity of preserved fruits from England and Scotland. Unless you dot every "i" and cross every "t" in the resolution, the department is likely to put a strictly literal interpretation on the Act, as, for instance, what happened last year in their classification of manufacturers, resulting in an immense amount of trouble. I would like to see this Bill put in such form that when it is passed no room will be left open for any expensive law suits —expensive on the Government and on individuals—caused by too literal rulings of the department.

Mr. FIELDING: If Great Britain produces the same articles, undoubtedly the argument of my hon. friend is correct and the rates of duty would vary. The only answer of the minister is that Great Britain does not produce the same things as a rule. It may be so in regard to fruit. It is a well understood principle that in no case will we charge Great Britain a higher duty than any other country. But as this resolution is worded there is nothing to say we shall not charge goods from Great Britain a higher rate than similar goods from the West Indies, and I am afraid we are going to do it under this agreement if there is any competition.

Sir GEORGE FOSTER: It was expressly provided in the agreement with the West Indies that we should be at perfect freedom to make arrangements, preferential and otherwise, and that the West Indies should have the same liberty. The West Indies gives us a quid pro quo for which it gets a concession from us. Great Britain does not give us that quid pro quo, so we have a perfect right under the agreement with the West Indies to charge the lesser rate of duty agreed upon, and to charge on articles coming from the other parts of the Empire a preferential rate.

Mr. FIELDING: My right hon. friend is getting back to the very old ground that we should not give England a preference unless she gives us a quid pro quo.

Sir GEORGE FOSTER: But we do.

Mr. FIELDING: We do without a quid pro quo. My right hon. friend says we are justified in not giving it to England because she does not give us a quid pro quo.

Sir GEORGE FOSTER: England has a preferential tariff of thirty per cent now, although she does not give us a quid pro quo. We do not take that preference away from her; but when we make an agreement with the West Indies under which they give us reciprocity, and we give it to them in return, I do not think there is any injustice done to England.

Mr. PEDLOW: If you will permit me to refer back to the items that have already been passed to clear up the situation, items Nos. 20, 21, 22 and 23, I think it will be admitted that if these schedules are to obtain as they stand there will be a distinct discrimination against Great Britain in respect to those items. They are cocoa, paste or "liquor," preparations of cocoa or chocolate in powder form, preparations of cocoa or chocolate not otherwise provided for and confectionery. According to my reading of the resolution, those will be imported from

the West Indies at a very much lower rate of duty than from Great Britain under this Act as it reads. Therefore we are discriminating against Great Britain.

Sir HENRY DRAYTON: I appreciate the point my hon. friend makes. The fact is that none of those items he has referred to are produced in the West Indies; they have none of those manufactures there. They are very much interested in the cocoa bean, Item 77A, and, indeed, that is the item which necessitates the changes that my hon. friend has referred to. The West Indies produce the cocoa bean, and England manufactures it into these commodities, as my hon. friend says. We also manufacture it into the same commodities. The West Indies are only interested in getting their preference in connection with the cocoa bean, which is given to them as called for by the agreement.

Supplementary to what my hon. friend from Shelburne and Queen's (Mr. Fielding) has said as to the general principle, I would say that while England must always get her goods in certainly at as low a rate, if not lower, than foreign countries—and that has been pretty well accepted of late—it has not been applied and extended to other British possessions. I would also point out that that principle was borne in mind by the hon. gentleman in bringing down his British preferential tariff. He held the general principle clearly in mind as to the effect of the British preferential tariff having regard to the benefit that was to be given to England, but he did not regard that as fettering his action in connection with what ought to be done to other and perhaps more necessitous parts of the British Empire, or to other parts of the British Empire where perhaps it pays Canada to work up a more intensive trade. For example, I direct attention to section 8 of the customs tariff implementing the arrangement made by my hon. friend in 1907, which says:

> Notwithstanding anything in this Act, fish and other products of the fisheries of Newfoundland may be imported into Canada free of all customs duty until otherwise determined by the Governor-in-Council, by order published in the Canada Gazette.

The direct result of that was to provide that Newfoundland could get her fish and fish products into the Canadian market free while Great Britain had to pay a British preferential tariff. There is no change in principle at all; it is simply a case of fish in one instance and cocoa beans in the other.

[Mr. Pedlow.]

Mr. FIELDING: I do not quite see the force of the illustration with regard to Newfoundland. However, the point raised by the hon. gentleman from Renfrew is in regard to preserved fruits, etc. Of all the articles mentioned, only one, I think, can be regarded as manufactured by Great Britain. Now, the revenue obtained by insisting upon a difference in rate on this one article would not amount to much, and I cannot see that any great harm would be done from the revenue point of view to say that any of these articles coming from Great Britain shall come at the rate granted the West Indies.

Sir HENRY DRAYTON: The particular fruit item that the hon. gentleman refers to gives the preference to nobody; it is the same all round.

Mr. FIELDING: That is so; I had not noticed that.

Mr. PEDLOW: But it doesn't appear in the item, and a merchant placing an order for preserved fruits from the West Indies might expect to get that product at a rate fifty per cent less than the rate given in the general tariff, but when he came to make his entry at the customs house he would find that the ruling was otherwise.

Sir HENRY DRAYTON: These items refer to fruits preserved in alcohol.

Mr. PEDLOW: Suppose a British manufacturer, seeing the advantage of having these cocoa beans manufactured into paste or chocolate powder, installed a plant at some point in the West Indies and turned out the product there, thus obtaining the benefit of this preferential tariff of fifty per cent as against his competitor whose factory is established at some point in England, what is my hon. friend's opinion as to the result of that condition?

Sir HENRY DRAYTON: I think the question that would arise there would be whether we thought it worth while to continue our own activities in the production of sweets and that sort of thing, or whether we should bring them to an end. That would really be the consideration should such an eventuality arise. I do not think, however, that there is much danger in that regard.

Item agreed to.

Items 135, 150, 151 and 153 agreed to.

On item 156:

Tariff Items	——	British Preferential Tariff.	Intermediate Tariff.	General Tariff.
156	Ethyl alcohol, or the substance commonly known as alcohol, hydrated oxide of ethyl or spirits of wine, n.o.p.; gin of all kinds, n.o.p.; whisky and all spirituous or alcoholic liquors, n.o.p.; amyl alcohol or fusel-oil, or any substance known as potato spirit or potato oil, methyl alcohol, wood alcohol, wood naphtha, pyroxylic spirit or any substance known as wood spirit or methylated spirits, absinthe, arrack or palm spirit, brandy, including artificial brandy and imitations of brandy, n.o.p.; cordials and liquers of all kinds, n.o.p.; mescal, pulque, rum shrub, schiedam and other schnapps; tafia, angostura and similar alcoholic bitters or beverages; and wines, n.o.p.; containing more than forty per cent of proof spirit, per gallon of the strength of proof.....	$10.00	$10.00	$10.00

Mr. FIELDING: Does this cover alcohol used for manufacturing purposes, by chemists and others? As regards spirits for beverage purposes, I do not want to make any complaint;—that is a matter in which the provinces of British Columbia and Quebec are interested; the other provinces cannot get any liquor, so that there is no need of making any fuss about the matter. Has my hon. friend received representations in regard to alcohol used for manufacturing purposes? I have had telegrams from druggists stating that their business is seriously affected by the increased duty on alcohol for chemical and manufacturing purposes.

Sir HENRY DRAYTON: That is dealt with under the excise item. This is the customs item.

Mr. FIELDING: It is not covered by this item?

Sir HENRY DRAYTON: No.

Mr. LAPOINTE: I read in the press that the Attorney General of British Columbia has expressed the opinion that this Parliament cannot impose a tax on alcohol which is provincial property. Has the Government any legal advice on the matter?

Sir HENRY DRAYTON: Yes, the position of the Government is that when governments become traders, their trading operations are subject to taxation. Of course, if that were not so, it would be possible for a Provincial Government to remove practically entirely articles of taxation from this Government. The principle is not a new one, because it was introduced by this House into the statute book in the amendment of the Customs Act of 1917.

Mr. LAPOINTE: I would not like the impression to prevail that the Government of Quebec, at least, is entering a trade under the law that was enacted last session. It is certainly not to enter the trade that this law was passed; on the contrary, it is rather to serve the purpose of temperance, to remove temptation and to avoid abuses which existed formerly. The question of making money not only is secondary, but does not exist at all. The Government have no right to treat the provinces of British Columbia and Quebec as traders in the matter.

Sir HENRY DRAYTON: I am very much pleased to hear what my hon. friend says, namely, that the province is not in this business for trade. The province is in it for the purpose of reducing the consumption of drink; to make respectable something which my hon. friend does not think has been quite respectable in the past; to perform a useful service. That business paid taxes in the past, and as the province is not in it for money, the imposition of these rates cannot in the slightest degree interfere with the fruition of its benevolent object.

Mr. ROBB: If I understood correctly the Minister of Finance a moment ago, he said that the Department of Justice advised them that when a province entered upon business trading, it is subject to taxation. My recollection is that at a recent session of this Parliament—and I am not sure whether it was the present Minister of Finance or his predecessor—on a question somewhat similar to this, a ques-

tion of taxation, the Minister of Finance gave a ruling that the hydro-
5 p.m. electric companies of Ontario were exempt from the effects of taxation, while incorporated companies doing business in other provinces were subject to taxation. It was very strongly contended upon this side that that was an unfair attitude to take. The Miniser of Finance of that day ruled that the provinces doing business were exempt from taxation. Either the Department of Justice is giving different advice in this regard, or the Minister of Finance, at a previous session, offered an opinion without having consulted the Department of Justice.

Sir HENRY DRAYTON: The situation is hardly as bad as that. In fact, I would be only too happy to say at once that we will treat Quebec in this matter in precisely the same way as we have treated the hydro-electric. We are not here seeking to tax the income of Quebec. We are saying that imports of whiskey shall not become exempt because they are imported in the name of the province for the purpose of reselling. I think that is the position taken by the hon. member for Quebec East.

Mr. ROBB: I do not take that position.

Sir HENRY DRAYTON: It is the position taken by the Attorney General of British Columbia, and I thought my hon. friend was a little sympathetic to that position. The Ontario Government, the Government of every province, nay further, the departments of this Government themselves, are obliged to pay customs duties on whatever they import into this country.

Mr. SINCLAIR (Guysborough): Has the minister considered the advisability of taking an inventory of the millions of dollars worth of whiskeys and wines stored in the cellars of the wealthy people of this province and of some of the other provinces which have gone "dry," and of imposing the additional taxes upon this hoarded liquor?

Sir HENRY DRAYTON: Does the hon. gentleman advise that that is within our power? I know that he is a lawyer of standing. Has he considered that our taxation is a customs tax in one case and an excise tax in the other; that it is a tax on transactions? Does the hon. gentleman suggest that the Dominion has such rights over civil property that it can go into the cellars of his fellow-townsmen and tax the contents of those cellars?

[Mr. Robb.]

Mr. FIELDING: The language of the British North America Act is that the Dominion has power to collect moneys by all or any means of taxation; there is no limit, so far as a tax is concerned. As to the right to go in and take possession of any person's cellar, that is another matter, but the right to levy a tax on the contents of the cellar is beyond question.

Sir HENRY DRAYTON: I am afraid one would involve the other. How could you tell what he had in his cellar?

Mr. MICHAUD: These goods in the cellar are looked upon as sacred, and I do not believe we should go so far as has been suggested.

Mr. NESBITT: I understand there is a rebate of duty of 99 per cent on alchohol used in hospitals. How do you keep track of the quantity used?

Sir HENRY DRAYTON: That will come up under a separate item.

Mr. LAPOINTE: I wish to correct the minister's impression. I offered no opinion as to the merits or demerits of the legal opinion of the Attorney General of British Columbia; I merely asked whether the Government had had any legal advice in the matter, and I stated that it was not fair to consider the provinces as traders. I really think that this is an exorbitant tax. Some may criticise the laws which have been adopted in British Columbia and Quebec, but I say that these provinces are acting in good faith and are doing their best even for the cause of temperance. I think this is purely a provincial question and I say that the Federal Government should not step in immediately and impose an almost prohibitive tax on liquor.

Sir HENRY DRAYTON: I think that is a point that we ought to clear up. This is not a prohibitive tax. There is a pretty good deal of whisky drunk in Great Britain —some people think, a great deal too much, —and the British Government derives a splendid revenue from that source. The tax in England, if I remember rightly, is $17.60 per gallon, while the corresponding rate here is $10 per gallon. You do not have to pay the English tax on liquor exported to this country. It comes over here simply on the basis of cost production, plus whatever profit the liquor producer thinks he can get; there is no British Government tax on it. It has been suggested that it is impossible for people to do business under our tax. Well, how is that great volume of business carried on in Great Britain by private

people, who are at the expense of advertising and the like, which I suppose provincial governments will not be put to in this country, when their tax is many times greater than ours? An ordinary case of Scotch contains 1.7 gallons of taxable alcoholic contents. That would make on the whole dozen bottles of whisky a tax of $17 in this country, as against a tax many times greater in Great Britain; that is, we are imposing a $17 tax against a case of 12 bottles of Scotch, which is now being sold, if the price lists I have seen are correct, at the rate of $40, $45, and $50 per case. So, I am sure this tax will be hailed with delight.

Mr. JACOBS: By whom?

Mr. PARENT: Did I understand from the minister that the tax has been raised from $5 to $10 per gallon?

Sir HENRY DRAYTON: Yes, per proof gallon.

Mr. PARENT: Would the minister tell the committee what revenue he derived last year from this source when the tax was $5 a gallon?

Sir HENRY DRAYTON: I am sorry I have not the figures here, but my recollection is that the total amount of spirits released from bond or imported was something like 3,500,000 gallons last year.

Mr. PARENT: Would the minister consider that that quantity yielded a large revenue?

Sir HENRY DRAYTON: I would have to consider any revenue small which is anything less than what we can reasonably get.

Mr. PARENT: I have no doubt the minister is animated by the very best motives in imposing such a tax, but I venture to think that by raising the duty to $10 per gallon he may fail of the object he has in mind. The provinces of Quebec and British Columbia have both passed laws with a view to controlling the liquor trade and seeing that temperance shall prevail in their respective provinces; at least, that is the intention of the province of Quebec. By regulating the trade within their own limits they intend to have a better quality of liquor sold and distributed to the people, and at a reasonable price. I am afraid that if the duty is raised to $10 a gallon, as the minister proposes, the tax will be prohibitive, and it will have the effect of making some people manufacture all kinds of bad whiskies and spirits that are unfit to drink, with bad results to the health of the people at large. So far as I am concerned, I want to protest against this increased tax. I do not think it is fair.

Sir HENRY DRAYTON: Perhaps my hon. friend would assist me. I do not want to do anything that is unfair in the slightest degree. I am told—I confess that I have no intimate knowledge of the whisky business—that alcohol, and pretty good alcohol at that, is easily produced in quantity at rates as low as 25 and 50 cents a gallon. During the war, when whisky was pretty dear generally, I am told that the soldiers in France when they were on leave were allowed to buy whisky free of all duty, and that the price for a bottle was only two shillings and six pence, or 60 cents a bottle.

What does my hon. friend think is fair? If it be true that the real value of whisky as sold in the military mess rooms was 60 cents a bottle, after paying the cost of getting it into France—

Mr. GLASS: It does not designate the quantity.

Sir HENRY DRAYTON: I am not speaking of the large imperial measure; I am talking about the ordinary bottle, which contains about one-sixth of a gallon. If it be true that the real value of the whisky is 60 cents a bottle, then it can be supplied, less cost of transportation, overhead charges, etc., which I should not think would be very heavy, on a basis of $7.20 a case. But suppose 60 cents is too low; suppose you put it a $1 a bottle, which every one will admit is the very outside price to attach to whisky. Whisky is sold to-day at $3.75, some at $3.85, some at $4, and some a little higher. Let us take $4, as affording an easy basis of calculation. On the basis of $1 to the agency which handles the whole thing, the whole cost, with our duty, is only $29 a case, as against a return of $48, or a profit of $19 a case, subject to the necessary reduction for overhead expenses in connection with offices, salaries, etc. Under the circumstances I should think that the tax would be welcomed rather than objected to.

Mr. LAPOINTE: To further the cause of temperance, and perhaps, to help the revenue, I would advise the Quebec Government to charge a higher price when customers are citizens of the other provinces, especially Ontario.

Item agreed to.

Tariff Item	——	British Preferential Tariff.	Intermediate Tariff.	General Tariff.
156a	Rum, per gallon of the strength of proof..... Provided, as to all goods specified in items No. 156 and No. 156a when of less strength than the strength of proof, that no reduction or allowance shall be made in the measurement thereof for duty purposes, below the strength of fifteen per cent under proof. Provided also, that when the goods specified in these two items are of greater strength than the strength of proof, the measurement thereof and the amount of duty payable thereon shall be increased in proportion for any greater strength than the strength of proof Provided further, that bottles and flasks and packages of gin, rum, whisky and brandy of all kinds, and imitations thereof, shall be held to contain the following quantities (subject to the provisions for addition or deduction in respect of the degree of strength), viz.:— Bottles, flasks and packages, containing not more than three-fourths of a gallon per dozen, as three-fourths of a gallon per dozen; Bottles, flasks and packages, containing more than three-fourths of a gallon but not more than one gallon per dozen, as one gallon per dozen; Bottles, flasks and packages, containing more than one gallon but not more than one and one-half gallon per dozen, as one and one-half gallon per dozen; Bottles, flasks and packages, containing more than one and one-half gallon but not more than two gallons per dozen, as two gallons per dozen; Bottles, flasks and packages, containing more than two gallons but not more than two and four-fifths gallons per dozen, as two and four-fifths gallons per dozen; Bottles, flasks and packages, containing more than two and four-fifths gallons but not more than three gallons per dozen, as three gallons per dozen; Bottles, flasks and packages, containing more than three gallons but not more than three and one-fifth gallons per dozen, as three and one-fifth gallons per dozen. Provided further, that bottles or phials of liquors for special purposes, such as samples not for sale to the trade, may be entered for duty according to actual measurement, under regulations prescribed by the Minister of Customs and Inland Revenue.	$8.00	$10.00	$10.00

Mr. JACOBS: It seems to me that these excise taxes are extortionate, in view of the fact that in every province, except Quebec and British Columbia, liquor is used as a medicine. What is the logic of charging people these extortionate rates for medicines?

Sir HENRY DRAYTON: We do not.

Mr. JACOBS: As I understand it, before a bottle can be procured in Ottawa —I have this only from hearsay—

Some hon. MEMBERS: Oh, oh.

Mr. JACOBS: —one must secure a doctor's certificate indicating that the person needs the liquor as medicine.

Mr. NESBITT: That is in Ontario.

Sir HENRY DRAYTON: He takes it as a beverage, as a matter of fact.

[Mr. Lapointe.]

Mr. JACOBS: He takes it down as a beverage, but it is given as a medicine, otherwise the doctor could not possibly issue the certificate. I do not understand why these high prices should be charged.

Mr. NESBITT: In Ontario it is used for rubbing.

Mr. JACOBS: Surely some distinction should be made between the use of liquor as a beverage and its use as a medicine.

Sir HENRY DRAYTON: We have not yet come to the question of excise duties. Under that item there will be provisions looking toward a gentle handling of whisky for medicinal purposes.

Mr. JACOBS: Would the minister consider that as soon as a doctor issues a certificate, liquor can be used for medicinal purposes?

Sir HENRY DRAYTON: That is not what I have said.

Mr. JACOBS: That is the logical conclusion.

Sir HENRY DRAYTON: There are qualifications.

Item agreed to.

Tariff Item	——	British Preferential Tariff.	Intermediate Tariff.	General Tariff.
159	Spirits and strong waters of any kind, mixed with any ingredient or ingredients, as being or known or designated as essences, extracts, or ethereal and spirituous fruit essences, n.o.p., per gallon.....	$10.00	$10.00	$10.00

Mr. GLASS: This item naturally affects the manufacturers of extracts.

Sir HENRY DRAYTON: That also comes under the excise item.

Mr. FIELDING: Does the excise item deal with imported liquors as well as native?

Sir HENRY DRAYTON: No.

Mr. FIELDING: These are regulations that apply to imports. The excise will apply only to goods manufactured at home; so that the provisions which my hon. friend is enacting really constitute another form of protection.

Sir HENRY DRAYTON: It is really an old and familiar form. So far as the production of alcohol is concerned, we have always had a bit of discrimination under all laws. My recollection is that we started out with a discrimination of 20 per cent in favour of the local as against the imported article. The rate was $3 against $2.40, and now we have gone all the way from $3 to $10, and if we took the 20 per cent off, the general excise rate of $9 would be a good deal lower.

Mr. JACOBS: That is to say, the excise is $9, as against $10 on the imported article.

Sir HENRY DRAYTON: Yes.

Item agreed to.

Item 159a—anodynes, elixirs, tinctures or medicines—agreed to.

Item 160—alcoholic perfumes and perfumed spirits, bay rum, etc.—agreed to.

Tariff Item	——	British Preferential Tariff.	Intermediate Tariff.	General Tariff.
162	Medicinal or medicated wines, including vermouth and ginger wine, containing not more than forty per cent of proof spirit.....	80 p.c.	80 p.c.	80 p.c.

Mr. JACOBS: That seems to be a rather heavy rate considering that these are medicinal wines.

Sir HENRY DRAYTON: It is exactly the same as last year, there is no increase.

Mr. JACOBS: Why should the Government insist upon charging such exorbitant rates upon medicinal preparations. We have a Health Department which already costs us a million dollars a year to see that the health of the people is conserved and preserved, and when medicinal or medicated wines are prescribed by physicians, why make a charge of 80 per cent. It seems to me quite illogical having in view the fact that we have an expensive health department.

Sir HENRY DRAYTON: I think perhaps the chief element of controversy in this particular clause is vermouth. Of course my hon. friend does not know very much about vermouth, but it is used in the preparation of cocktails.

Mr. JACOBS: What is a cocktail?

Sir HENRY DRAYTON: It is only procurable now, they tell me, in Montreal or one or two other favoured cities. Speaking seriously, there is not much in the item of a medicinal character. Anyhow,

these are entirely in line with the general spirit duties.

Mr. JACOBS: The word "medicinal" is used in the item.

Sir HENRY DRAYTON: There are some very agreeable medicinal wines, wines that are quite nice to drink.

Mr. LAPOINTE: How does my hon. friend know that?

Sir HENRY DRAYTON: Perhaps my hon. friend is familiar with Vin Mariani. It is a standard wine and said to be of a medicinal character. The grapes from which it is produced are grown in a district where there is said to be quite a lot of iron. It is called a medicinal wine, but it is a first-rate drink.

Mr. SINCLAIR (Guysborough): The inference is that a cocktail is always meant to be medicinal.

Mr. JACOBS: It is a life saver some times.

Item agreed to.

Item 163—wines of all kinds, n.o.p., including orange, lemon, strawberry, raspberry, elderberry and currant wine containing 26 per cent or less of proof spirits—agreed to.

Tariff Item	——	British Preferential Tariff.	Intermediate Tariff.	General Tariff.
164	Wines of all kinds, except sparkling wines, containing not more than forty per cent of proof spirit, whether imported in wood or in bottles (six quart bottles or twelve pint bottles to be held to contain a gallon), when the produce or manufacture of any British Colony or territory in the South African Customs Union Convention, per gallon.....	55 cents		

Mr. JACOBS: Is that 55 cents per gallon.

Sir HENRY DRAYTON: This is an item that does not carry any protection.

Mr. FIELDING: The rate is applicable to wines the produce of any British colony or territory in the South African Customs Union Convention. The language seems to imply more than South Africa. Is it the old item?

Sir HENRY DRAYTON: It is the old item in connection with the French Treaty, Mr. Breadner tells me.

Mr. JACOBS: I notice that the words "British colony or territory" are used in this item. May I ask whether this would apply to Palestine? The British Government now has a mandate over Palestine and the chief article of export from that country is wine.

Sir HENRY DRAYTON: What brand would that be?

Mr. JACOBS: Mostly every kind of brand is produced in Palestine. It is a land flowing with milk and honey. The Minister of Finance ought to remember that.

Sir HENRY DRAYTON: I do, but I have never heard anything about wine.

Mr. JACOBS: Well, that expression would cover everything. The British Government has a mandate over Palestine, and would that country now be regarded as a "British colony"?

Sir HENRY DRAYTON: I think not. British South Africa as defined in the Act includes Cape Colony, Natal, Orange River Colony, the Transvaal, Rhodesia, Bechuanaland and Basutoland.

Mr. FIELDING: They all form part of South Africa.

Mr. JACOBS: Why not make some provision in favour of those countries over which the British Government has a mandate?

Item agreed to.

Tariff Item	—	British Preferential Tariff.	Intermediate Tariff.	General Tariff.
165	Champagne and all other sparkling wines:—			
	(*a*) in bottles containing each not more than a quart but more than a pint (old wine weasure), per dozen bottles	$9.30	$9.30	$9.30
	and	.....	.....	30 p.c.
	(*b*) in bottles containing not more than a pint each, but more than one-half pint (old wine measure), per dozen bottles	$4.65	$4.65	$4.65
	and	.....	.....	30 p.c.
	(*c*) in bottles containing one-half pint each or less, per dozen bottles	$2.32	$2.32	$2.32
	and	.....	.....	30 p.c.
	(*d*) in bottles containing over one quart each (old wine measure), per gallon	$4.50	$4.50	$4.50
	and	.....	.....	30 p.c.

Mr. JACOBS: Is there any change here over last year?

Sir HENRY DRAYTON: The duties are the same as last year.

Mr. FIELDING: If they are the same why are they set out here?

Sir HENRY DRAYTON: We cancelled all the luxury taxes last year. We are just re-enacting those duties that need to be re-enacted.

Mr. FIELDING: Is not that ad valorem duty a new thing?

Sir HENRY DRAYTON: No.

Mr. FIELDING: Speaking generally the duties on spirituous liquors were the same under the general, the intermediate and the preferential tariff, but in this case there is a difference—I do not know whether it was done in a former session and is simply being retained—in addition we have 30 per cent under the general tariff.

Mr. NESBITT: My recollection is that has always been there.

Sir HENRY DRAYTON: The rate was 30 per cent under the tariff of 1907.

Mr. FIELDING: The 30 per cent duty is of long standing?

Sir HENRY DRAYTON: Yes. The French Treaty was the reason why my hon. friend put it under the general tariff.

Mr. LAPOINTE: Has the minister made any estimate as to whether the added duties on alcoholic liquors and wines will produce more revenue than the old law yielded last year?

Sir HENRY DRAYTON: It is very difficult to tell. I should not think the duties would produce as much and my reason for saying that is this—the importers, particularly the importers in Montreal who are really doing the business, did an enormous trade last year in importing liquors into Canada. The old figures were greatly exceeded; in fact they were much beyond what they were before if I remember rightly. I do not think we are very likely to have anything like the same volume again for a long time.

Mr. ROBB: Roughly speaking, the minister estimated in his Budget speech that the revenue from excise would be about $4,000,000 less than last year?

Sir HENRY DRAYTON: Yes.

Section agreed to.

Section 3—date when effective—agreed to.

On section 4—marking of goods and penalities.

Mr. FIELDING: This is quite a new condition and a very important one. Will the hon. gentleman give us some information concerning it?

Sir HENRY DRAYTON: The object of the Bill is, as indicated, to let people know what goods they are buying. Speaking from recollection—I have not the American Act before me—I think this is broader than that Act, and broader than most legislation of this character. I believe a similar Act is in force in the United Kingdom in regard to certain articles. The list here is necessarily long because provision is made for marking anything which can be reasonably and properly marked without detriment. The matter came up objectively in connection with representations made by importers of goods from Great Britain. Representations were made by deputations in connection with the sale of wool, and they pointed out the pains which were being taken, for example, by the Scotch Woollen

Merchants' Association to protect the public from fraud in connection with the sale of their goods. Every single yard of the cloth they manufacture bears at the top the name The Scotch Woollen Merchants' Association.

Mr. FIELDING: Not by law?

Sir HENRY DRAYTON: No, they have been trying to get everybody to understand that unless so marked the article is not Scotch cloth. They complained that much cloth was sold as of Scotch production which had never seen Scotland. And the complaint was not at all confined to cloth. Statements were made to the effect that German knives and razors and other articles were sold without the slightest knowledge on the part of the purchaser that they were German, but on the representation that they were English. All that is sought to be done is to let the fact be known in such a way that the representation is affirmatively on the article. The matter is so simple that I am not relying on precedent, but on what is the best thing to do. On the one hand, this section removes opportunities for fraud, and, on the other hand, it enables the purchaser to know what goods he is purchasing. It seems to me on a general principle, having regard to the desirability of promoting both those objects, that the section ought to be adopted.

Mr. FIELDING: Any regulation which guards against fraud should have our sympathy. It is a question, however, as to how far it is wise to do this thing by law. There is something in a reputation which is established by the makers of a certain article, and the stamp on Scotch woollen goods is of as much value as if legally enacted. I am afraid this law will lead to some trouble. I notice in the next clause that provision is made for this section to come into force on September last. That would penalize people for goods they already have in their possession.

Sir HENRY DRAYTON: The next section provides for this regulation becoming effective on September 1, 1921.

Mr. FIELDING: I beg my hon. friend's pardon. Of course, if similar Acts are in force elsewhere we may be able to learn something from them. Would there not be difficulty in marking large bales of these goods? And when you say they are to be marked so as to indicate the country of origin, would goods from the Old Country have to be marked as coming from England, Scotland, Ireland or the United Kingdom?

[Sir Henry Drayton.]

Sir HENRY DRAYTON: I should say the United Kingdom.

Mr. FIELDING: Then you may have some cheap English goods masquerading as Scotch goods.

Sir HENRY DRAYTON: Or still worse, Irish goods.

Mr. FIELDING: And you would be doing some injustice to Old Ireland.

Sir HENRY DRAYTON: I think that is right.

Mr. FIELDING: I think there is a little vagueness in this section which may be embarrassing. I know the difficulty of going into details in regard to these things, but it is so hard to know where the mark can be placed on some articles. Take a man who has a roll of cloth in his shop, and he sells off twenty yards of it; the roll was marked on the edge; after selling twenty yards what evidence have you got on the remainder as to where it came from? The penalties are severe, and while the object is a good one, I rather think the hon. gentleman will find difficulty in enforcing the regulation.

Mr. SINCLAIR (Guysborough): I think Old Country firms are manufacturing goods now to be imported here this autumn, and therefore three months is not enough notice to all the world that all goods imported to Canada after September 1, 1921, have to be marked. I would say that six months' notice at least ought to be given.

Mr. NESBITT: I should say you do not run any risk if you leave the date as it is, because any firm which is proud of its goods will take care to mark them so the public will know what they are buying. It is only those who are not proud of their goods who will not be anxious to mark them.

Mr. PEDLOW: I agree with the member for Shelburne and Queen's that in matters of this kind—indeed, in all matters—the public have a right to be protected. But the enforcement of a law of this class is absolutely impossible, having regard to the strict wording of the provision of it. During the last year we have had some difficulty in connection with the interpretation of an Act. We were assured by the minister in charge of the Bill when the legislation was before the House that it would be subject to a certain interpretation but when the customs officers came to enforce it they interpreted its provisions quite differently. The result was no end of trouble during the last year, including a law-suit

which has just been concluded, and which will be very expensive to whoever has to pay the costs.

Sir HENRY DRAYTON: I am afraid that we have to pay them.

Mr. PEDLOW: But only a certain proportion. I am not a lawyer, but I understand that only certain costs can be assessed by a solicitor against the loser of a case; the other party will always have something to pay. Now, this provision insists on the branding of goods which may be branded without injury. Who is to decide what articles may be branded without injury? Some customs official who knows nothing about the material he is handling? Then there is a penalty provided of $1,000 and a year's imprisonment. It is provided also that all goods imported into Canada which do not comply with the requirements made shall be subject to an additional duty of 10 per cent and shall not be released from the customs office until they have been branded. Who is to do the branding? Some official in the Customs Department who knows nothing about the goods he is handling? Mr. Chairman, I would like to see this resolution struck out. If it is adopted we shall have a serious condition to deal with—a more serious condition than prevailed in connection with the Luxury Tax Act and the definition of what is a manufacturer. Now, you ask your customs officials to go into a retail store to examine a line of goods—officials who know very little of the technical qualities of the goods they are inspecting. And who is going to say whether or not the goods should be branded? It is provided that they shall be marked in a conspicuous place. Take the case of stockings; what lady is going to wear a pair of stockings which are branded with an indelible stamp?

An hon. MEMBER: Skirts may get longer.

Mr. PEDLOW: Unfortunately, Mr. Chairman, they do not show a tendency in that direction. It is the other way about, so it is hard to say what may happen in that regard. Prior to the war a law was passed in England providing that goods which were not made in Great Britain should be marked "not British manufacture." That created a good deal of hard feeling in Germany. But the British manufacturers decided that in handling goods marked "German manufacture," for instance, they were advertising German manufactures; accordingly, they came to the conclusion that they would avoid that result by having the goods marked 'not British manufacture." If it were provided that the packages or containers of the goods should be marked "British manufacture," "German manufacture" or "Swiss manufacture," as the case might be, the purpose my hon. friend has in mind would be served, but such a law as is proposed cannot be enforced without a great deal of trouble and a considerable amount of friction. Some one has said that a good deal of deception is practiced by retail merchants by selling goods as of Scotch, English or Irish manufacture which are not made in those countries. Well, I suggest that the public should be allowed to do some deciding on their own account; they should be educated to the point of being able to protect themselves against impositions of that kind. I have seen any amount of tweed goods which had been made in Canada sold as Scotch manufacture. It suits the purchaser's fancy to believe that he is buying goods of Scotch manufacture, and he is getting value for his money just the same. A certain amount of that sort of thing cannot possibly be avoided,—and when clothing made in Canada is sold as Scotch goods, I do not think the purchaser suffers very much as a result. Of course, I want it to be understood distinctly that I do not approve of deception of that kind. Some of the best carpets produced are made in Canada. I would not have to go far from this chamber to find goods in use marked "British manufacture" and "U.S. manufacture" which, if the purchaser knew his business, would be found to be not so good value for the money as goods manufactured in Canadian mills.

Another point is this: If you insist on this resolution being put into force, you increase the cost of commodities, because all these little additional operations cost money. I do not think we should endeavour to stop the present downward trend of the price of commodities, and every little hampering enactment of this kind will certainly add to the cost of merchandise because it will cost money to brand each individual item in a package. If you brand the package or container, that will be quite sufficient to indicate where the goods come from, and the purpose underlying this resolution will be served by an enactment along this line. I shall be sorry if the minister insists on passing this resolution, because I know he will find that it will cause a great deal of hardship and trouble, particularly as regards merchandise in stock on September 1, 1921.

Sir HENRY DRAYTON: That is not interfered with.

Mr. PEDLOW: Your customs officer, inspector, or spotter who goes around the country will interfere. He has been interfering in other cases. He will go into a store and find one line of articles that have been imported after September 1 and that are branded, and another line of the same goods not branded. What will he do? He will purchase an article that is not branded, take it before a magistrate and lay an information, and the merchant will have to defend a case of that kind. The minister need not shake his head. I have been through the mill, and I know exactly what this means. The retail trade of this country will be put to a great deal of cost in defending cases of this kind. Officials who have very little knowledge of items in which they are dealing, will put not only the department, but the business of the country to a great deal of trouble that might be saved by leaving conditions as they are.

Sir HENRY DRAYTON: I assure my hon. friend at once that this is something where there is no room for misunderstanding. Last year we did not get the legislation quite as clear as we should have done. I thought it was clear and evidently the courts thought it was clear enough, but the decision was overruled. There is no question of courts here. This is a question of the administration of the customs office pure and simple. You do not send inspectors out of the customs office unless they are asked to go and look after something special. There would certainly be no scrutiny made of private stocks after September 1, for the purpose of finding what had not been marked. The whole idea of this law is that when customs entries are being made and goods are being examined for customs purposes, then and then only shall this question as to the marking be determined. One might just as well say that because you have a customs law as it is now, the customs officer must follow everybody into the different offices, warehouses and so forth for the purpose of worrying and annoying him. As regards trade matters, I have very often the pleasure of agreeing with my hon. friend, but I think he is mistaken as regards a system which allows a Canadian manufacturer, in the case that he quoted, to turn around and sell Canadian-made goods, no matter how good they may be, as Scotch goods. I do not think that is a proper system.

Mr. PEDLOW: I do not think it is a good system.

Sir HENRY DRAYTON: We are going a long way in stopping that sort of thing by this legislation. Moreover, during the war, the people of this country were badly taken in in matters of this kind. First-rate hats are made in Canada; but during the war, hats were sold as English hats, and the only things that were English on them were the label and the hat band. If we get everything marked properly when it comes in, the proper mark of the firm, the mark can be put on any way they like. They are not going to hurt the smallest things. I yield at once to my hon. friend's experience in ladies' stockings, but I have seen very good ladies' stockings with marks on the toes. I have even seen those sacred things injured to the extent of having the number on them, and I do not believe it would hurt them any more if we put the name of the country on the toe. I do not believe that ladies would object to that in the slightest. As regards what kind of goods should be marked, that is something that will have to be made final, definite and determined in the regulations. There are some goods that ought not to be marked.

Mr. PEDLOW: The resolution says that the article must be marked in a conspicuous place and that the mark must not be covered up.

Sir HENRY DRAYTON: Does my hon. friend suggest that a lady's stocking is, of necessity, conspicuous in the sense that he means? I think my hon. friend is having a little fun at my expense, and that he really understands the object of the resolution; that is, that when a purchase is made by the consumer, the consumer will be able to see somewhere on the article, in a place where it can be read, the name of the country of origin. I do not think my hon. friend would say that, if that were applied to corsets, the name could not be put on a conspicuous place on the corsets. It refers to the garment, not when worn, but when purchased.

Mr. ROBB: Might I suggest to the minister that during the recess he might gather for the committee such information as would enable us to determine to what extent this prevails in other countries, because this will largely affect international trade? If it is a good

thing for Canada to introduce and enforce such regulations, other countries may determine that it is a good thing for their trade, and this might result in a considerable expense to those throughout our country who do an export business.

Mr. FIELDING: Would it not be a move further in the right direction to require that goods manufactured in Canada shall be stamped as being of Canadian manufacture, so that we might stop the fraud of which my hon. friend speaks, of Canadian goods being sold as British goods? If it is good policy to let the people of Canada know that these goods are made abroad, it is equally good policy to let them know the goods that are made at home.

I foresee another difficulty. We have by regulations and the customs tariff dealt with the British preference, that is to say in determining what the country of origin is. For example, German goods are advanced to a stage nearing perfection. They are then sent to Great Britain where they are finished. When they come over here, is Great Britain the country of their origin? In the case of the British perference, there must be a certain percentage of British labour on them to enable them to be recognized as coming under our tariff. I am afraid my hon. friend will meet that same difficulty in determining the country of origin.

At Six o'clock, the committee rose and the House took recess.

After Recess

The House resumed at Eight o'clock.

PRIVATE BILLS.

Mr. ETHIER: Mr. Speaker, with the consent of the House may I be permitted to move that the Rules of the House be suspended to permit me to move the first reading of a Bill which, I understand, was reported from the Senate this afternoon?

Mr. SPEAKER: I would have no objection to putting the question to the House as to whether unanimous consent should be given, but we must have at least the name of the Bill.

Mr. ETHIER: It is a Bill respecting the Central Railway Company of Canada.

Mr. SPEAKER: I will put the motion after we have received the report from the committee.

PRIVATE BILLS

CONSIDERED IN COMMITTEE—THIRD READINGS

Bill No. 147 (from the Senate), for the relief of John Wilson.—Mr. Fripp.

Bill No. 148 (from the Senate), for the relief of Albert Harding.—Mr. Fripp.

Bill No. 149 (from the Senate), for the relief of Thomas Furneaux.—Mr. Mowat.

Bill No. 150 (from the Senate), for the relief of Matthew John Scott.—Mr. Best.

Bill No. 151 (from the Senate), for the relief of Dora Lucy Bell.—Mr. Mowat.

Bill No. 152 (from the Senate), for the relief of Henry Kropp.—Mr. Smith.

Bill No. 153 (from the Senate), for the relief of Arthur Daughton.—Mr. Douglas (Strathcona).

Bill No. 154 (from the Senate), for the relief of Annie Maud Bell.—Mr. Boys.

Bill No. 155 (from the Senate), for the relief of Thomas Henry Foster.—Mr. Rowell.

Bill No. 160 (from the Senate), for the relief of Edward George Taylor.—Mr. Douglas (Strathcona).

Bill No. 161 (from the Senate), for the relief of Margaret Swanston Neville.—Mr. Copp.

Bill No. 162 (from the Senate), for the relief of Ernest Lillie Montgomery.—Mr. Fripp.

Bill No. 163 (from the Senate), for the relief of Ethel Gordon Wright Ball.—Mr. Fripp.

Bill No. 164 (from the Senate), for the relief of Ivan Ignatius Brazill.—Mr. Mowat.

ALPHONSE LeMOYNE de MARTIGNY

House in committee on Bill No. 120 (from the Senate) for the relief of Alphonse LeMoyne de Martigny, Mr. Boivin in the Chair.

On section 1—marriage dissolved:

Mr. STEIN: I move that consideration of this clause and of the Bill be postponed until the next sitting of the House. There was some opposition to this Bill in the Private Bills Committee, and with some other hon. members I should like to have the opportunity of reading the evidence, which we have not been able to do as yet on account of the late sittings recently.

Mr. FRIPP: I do not think we should interfere with the judgment of the Private Bills Committee in this case. This Bill was considered with a great deal of care by

the Private Bills Committee, and there was evidence—

The CHAIRMAN: I must call the attention of the hon. member (Mr. Fripp) to the fact that we have not entered into a discussion of the Bill or of the clause. The motion is simply that consideration be postponed. That, of course, is an undebatable motion, and unless it can be agreed to by unanimous consent, I shall be obliged to put the motion to the committee.

Motion agreed to.

Progress reported.

CENTRAL RAILWAY COMPANY OF CANADA

Mr. ETHIER: Mr. Speaker, I move that rules 28 (a) and 115 be suspended and that Bill No. 188, respecting the Central Railway Company of Canada, be read the first time.

Mr. SPEAKER: I must point out that this motion can be entertained only by unanimous consent. Is it the pleasure of the House to adopt the motion?

Motion agreed to and Bill read the first time.

Mr. SPEAKER: When shall the Bill be read the second time?

Mr. ETHIER: I should like to have it read the second time now.

Mr. SPEAKER: In this instance, also, the motion can be entertained only by unanimous consent.

Motion agreed to, and Bill read the second time and referred to the Select Standing Committee on Railways, Canals and Telegraph Lines.

Mr. SPEAKER: Private Bills having been exhausted, the House will resume Committee of Ways and Means.

PRIVILEGE—RIGHT HON. MR. MEIGHEN

Right Hon. ARTHUR MEIGHEN (Prime Minister): I would ask the unanimous consent of the House, Mr. Speaker, to return to Orders of the Day. I desire to make a few remarks on a question of privilege.

Mr. SPEAKER: Unless the House gives unanimous consent to return to Orders of the Day at this stage, it will be necessary to resume in Committee of Ways and Means, when progress could be reported and the Prime Minister then move that the House return to Orders of the Day. Has the right hon. member the unanimous consent of the House to return to Orders of the Day?

Some hon. MEMBERS: Carried.

On the Orders of the Day:

Mr. MEIGHEN: I feel impelled again to refer to a matter that was introduced into this House by the hon. member for Marquette (Mr. Crerar), in the course of his speech in the Budget debate on Thursday last. In that speech he made a statement in reference to a subject which I freely say he should not have felt at liberty to discuss in the House. He said that an offer had been made by me, or by some one representing me, of a position in this Government to Hon. Mr. Veniot, the Minister of Public Works in the province of New Brunswick. At the time I gave a categorical denial to the assertion, and added that no one, on my authority, had made any such proposal. The subject was brought up again, at yesterday's sitting of the House, some time this morning by the member for Russell (Mr. Murphy.)

Mr. DUFF: Centre Vancouver.

Mr. MEIGHEN: It was brought up by the hon. member for Centre Vancouver (Mr. Stevens), in relation to certain changes which he stated had been made in the report in Hansard.

It was referred to by the hon. member for Russell, however, proceeding along the line of the hon. member for Marquette, and an interview, or an alleged interview, said to have been given by the hon. Mr. Veniot, in his own province, was read. In the interview it was alleged—I am not saying now that the allegation was made by the hon. member for Russell; I do not know of my own knowledge whether the interview was ever given or not that this gentleman had been approached on behalf of myself, and indeed went on to say that some letter had been written to him by me and—

Some hon. MEMBERS: No, no.

Mr. MEIGHEN: That is the way it appeared in Hansard transcript, although I see in the paper—

Mr. VIEN: Hansard was corrected.

Mr. MEIGHEN: —Mr. Veniot said it had been written to somebody else by me. This was intended to confirm the allegation that this proposal had been made. During all this I knew from memory, although

my correspondence is very heavy, that I had received some letter some time on the subject, but as no one was good enough to give me the name of the correspondent I was not able to trace it. My secretary tried to do so yesterday but without success. This forenoon he has succeeded in securing two letters written me by a gentleman in the city of St. John. I am sorry to have to give so much time and attention to this subject. I assure you, Mr. Speaker, and the House, it is not worth it, but those responsible are well known. I am sorry also that letters of this character that were not intended by the writer to be made public are under the necessity of being made public because of the very unusual—and I hope not to be repeated—action taken by certain hon. members. I therefore propose to lay on the Table the actual correspondence that passed between us, and I commend it to the consideration of the hon. members who have not only been the means of circulating through this country an impression wholly false—I had almost said cruelly false—but an impression that has been taken advantage of by one or two unprincipled newspapers to pursue tactics peculiar to themselves. The first letter is dated November 29—I am not sure that I personally read it wholly through when I got it. I may say before I proceed any further that what I hold in my hand is all the correspondence that passed between me and anybody on the subject; nor did I speak to any human being, Cabinet minister, or other, on the subject. All I had to do with it is as represented by the correspondence I now read:

SAINT JOHN, N.B., November 29, 1920.

Honourable ARTHUR MEIGHEN,

Ottawa, Ontario.

Dear Mr. Premier,—

I have just read the article "Trying to Rope Him In" by "The Mace" in this week's Toronto Saturday Night, and naturally it makes one think of "How to do it".

Not having had the pleasure of meeting you I am an entire stranger, but we have some mutual friends and to one, W. F. O'Connor, Ottawa, I will refer you as to my good faith in any proposition I may make.

Everybody knows how big the job is "To rope him in" and nearly all look at it from the same view point. My idea is to get at it from a different angle. Let me explain briefly: At the time of forming Union Government, I wrote Sir Robert L. Borden and suggested that, as he could not get support in Quebec, it would be good policy to take in the Honourable Peter J. Veniot who had two or three sons overseas, who could easily be returned for Gloucester, N.B., and who is well and favourably known throughout Eastern Quebec, but Sir Robert did not act on the suggestion although he wrote me in favour of it.

I may say that he was not in favour of it. I have the letter that was written.

You want and must get French support and Cabinet material. Why not take Mr. Veniot as representative of the Acadians among whom all over the Maritime Provinces he is recognised as leader. He would quickly increase his following from Quebec where he is active in many French organizations etc., and if desired at general election he could easily stand for and carry a Quebec riding. It would strengthen you with the French speaking people and be a powerful factor in breaking the solid front against you and the means of changing opponents to supporters.

In the words of the article referred to "You need a Tarte". Well Mr. Veniot is next thing to a Tarte, a trained parliamentarian, good debater, fluent speaker in both English and French, clever political organizer, stands well with his Church authorities and both French and English speaking people, knows the political game and so far has made good as Minister of Public Works for New Brunswick.

If you looked upon the suggestion with favour the question would be "Could you get him?" I have not spoken to Mr. Veniot about it nor to any other person in his behalf and he has not the faintest idea that I am writing you or had written Sir Robert Borden.

One way to win is to think of schemes others overlook and act upon them and this is such a case and I believe it can be put through.

Of course Mr. Veniot would have a portfolio in Cabinet. To make an opening for him Mr. Turgeon would have to be provided for and Mr. Veniot for the time being, at least, represent Gloucester. Probably Mr. Veniot would look upon the change to get to Ottawa with favour in view of the Farmers gain made in the last Provincial election in the English districts looked after by other ministers. He put the Foster Government into power and if he withdrew it would quickly go out which would mean a coalition between Conservatives and Farmers with Baxter for Premier and such would be a great factor towards your success later.

Almost the entire gain in population in the Maritime Provinces is among the Acadians. There are two Acadian Bishops in New Brunswick and giving Acadians recognition in Federal Cabinet would be simple justice in proportion to populations, and create favorable impressions all over the Maritime Provinces.

If I could be of any service in this matter let me know. I thought possibly if we found Mr. Veniot favourable it might be arranged for him to board your train at some quiet station and discuss the matter with you en route to or from Sydney, C.B., as I see you are going there.

Yours truly,

The signature is here. I would like hon. members to state further whether they desire to have it; if necessary we can discuss that. I do not know the gentleman; I never heard of him.

Mr. DUFF: It does not make any difference.

Mr. MEIGHEN: I think the hon. members of finer feeling will see that it might be better that his name should not be given. I am sorry to have had to read the letter. Now I will read my reply.

Mr. COPP: You might give his initials.

Mr. MEIGHEN: If I am asked by the leader of the Opposition to give the name I will give it. My reply is dated December 1, and is very brief.

OTTAWA, ONT., December 1, 1920.

I have just received your letter of the 29th November. I will discuss the subject to which you call attention with Mr. Wigmore. I have had no intimation whatever from the party to whom you refer as to his attitude towards the Government or toward the paramount Federal issues of the day.

Faithfully yours,
(Sgd.) ARTHUR MEIGHEN.

I received, I see, a further letter dated January 7, from the same gentleman which reads as follows:

ST. JOHN, N.B., January 7, 1921.

HONOURABLE ARTHUR MEIGHEN,
Ottawa, Ont.

DEAR MR. MEIGHEN:—

After receipt of your letter and a letter from Mr. Wigmore, I awaited Mr. Wigmore's visit which was delayed and unfortunately missed seeing him, although I endeavoured to do so.

As you and Mr. Wigmore may not be in Ottawa at the same time I enclose copy of the letter I am sending Mr. Wigmore which explains itself.

The interviews referred to therein did not lessen my faith in the suggestion but rather confirmed it.

If I can be of any service in this or any other matter to assist you kindly advise.

Yours truly,

To which I replied as follows on January 10:

OTTAWA, ONT., January 10, 1921.

On my return to the city I find your letter of the 7th January, together with copy of one addressed to Mr. Wigmore, Minister of Customs, with whom I will be glad to discuss the matter referred to, at the first favourable opportunity.

Yours faithfully,
(Sgd.) ARTHUR MEIGHEN.

I may say that through pressure of work or otherwise I have never yet even spoken to the Minister of Customs on the subject.

I should read now the letter to the Minister of Customs, a copy of which was enclosed to me in the above letter of January 7.

It is dated January 7, 1921, and is as follows:

Dear Mr. Wigmore:—

I am sorry you were unable to see me during your visit to Saint John as per your letter of December 3. I called at your office four or five times each day and the third day left a letter offering to meet you at any time or place that would suit you best, and repeatedly phoned and left my number both at the office and Mr. Terry's.

I know how rushed you were and merely mention above to show I did my best to see you without breaking my other business engagements.

I was in Bathurst two weeks since I got your letter and had three interviews with the party about whom I had written the Premier, and while I was not in a position to say anything definite, I promised to see him after your visit and now not having seen you puts me in an awkward position.

I might say in a general way my friend is quite an admirer of the Premier whom he met once in Ottawa, and believes in his sincerity to give the Dominion good honest administration and admits need of tariff and other methods of taxation to raise revenue to carry on affairs of this great country. He did not turn the proposition down, felt details as I suggested to make opening, could easily be arranged, but until I had something more definite he did not wish to say more than that he would be glad to see me after my interview with you.

As, expecting to see you, I delayed acknowledging the Premier's letter. I am doing so to-day and enclosing him carbon of this letter so he will know how the matter stands if you and he do not be in Ottawa at the same time.

Yours truly,

I have already read the letter in which he enclosed this copy.

Mr. McMASTER: You have not read the letter of Mr. Wigmore to this gentleman.

Mr. MEIGHEN: No, I want to keep distinct the correspondence with myself; then I will read that letter.

This is the entire correspondence with me. There has been nothing beyond the correspondence, not a word—not even a sight of the gentleman, not even a word to my colleague or to any other members of the Government.

Mr. COPP: Did I understand the right hon. gentleman to say that the man's name was signed to this letter?

Mr. MEIGHEN: Yes.

Mr. COPP: Is it signed on the copy?

Mr. MEIGHEN: I will lay it on the Table with the signature to it when asked by the leader of the Opposition.

Mr. COPP: I am simply asking if this copy is signed.

Mr. MEIGHEN: I think the signature was copied on the typewriter, but the original letter was signed. On receipt of the letters, in the usual way I had my secretary refer them to the appropriate minister, and he put on the face of the correspondence:

Hon. R. W. WIGMORE.

Referred by the Prime Minister for consideration.

GEORGE F. BUSKARD,
Private Secretary.

Mr. Wigmore then writes:

> The Prime Minister has referred to me your letter in reference to P. J. Veniot and I have carefully noted what you say. I expect to be in St. John between Christmas and New Years and will be very glad to discuss the matter personally with you then.

Which discussion did not take place.

Mr. VIEN: When yesterday the Prime Minister denied these letters he quoted the speech of the member for Russell in this way:

> The person who made the overtures to me presented to me a letter addressed to me and signed Premier Meighen.

I find the quotation in the unrevised Hansard reads:

> The person who made the overtures to me presented to me a letter addressed to him and signed by Premier Meighen.

The Prime Minister when reading the quotation said: "addressed to me." That was not quite what the hon. member for Russell had quoted.

Mr. MEIGHEN: The hon. gentleman will recall that the hon. member for Russell declined to read the interview in my hearing when I came into the House. I therefore sent to the Hansard office for the transcript; I received it, and it read exactly as I read in the House. I have the transcript in my hand at this moment. I presume there is an error.

Mr. VIEN: It does not read that way in the unrevised Hansard this morning.

Mr. MEIGHEN: I hold in my hand the transcript handed to me by the Hansard office. That possibly may be clear as well. Let me say finally, that what I stated was this, that no such proposal had been made by me, or upon my authority, directly or indirectly, definitely or indefinitely, or in any other way. I appeal to my colleagues of this House whether what I said was right.

Mr. ETHIER: I notice in reading the Journal newspaper report that there was mention of a letter sent by the Prime Minister to Mr. Veniot on January 11. Is there such a letter in the hands of the Prime Minister?

Mr. MEIGHEN: There was no such letter received. I never wrote him, and he never wrote me—at least, none was received.

On motion of Right Hon. Arthur Meighen the House returned to the Order: Private Bills.

WAYS AND MEANS

CUSTOMS TARIFF 1907 AMENDMENT

The House again in Committee of Ways and Means, Mr. Boivin in the Chair.

The CHAIRMAN: When the committee rose at six o'clock we were considering the first resolution, which will be found in the Votes and Proceedings of Monday, May 9, 1921. It is a resolution to amend the Customs tariff, 1907. The three first resolutions had been passed and we were considering resolution No. 4, which had been read and discussed. Shall resolution No. 4 carry?

Mr. ROBB: The hon. Minister of Finance was to obtain some information for the committee.

Sir HENRY DRAYTON: The hon. gentleman, Mr. Chairman, wanted information as to provisions in other countries dealing with the same subject. The provision adopted by the American Congress is very much in point. It is to be found in the Tariff Act of the United States, more popularly known as the Underwood Tariff of 1913. My recollection is that it was not even then a new provision, but an old provision somewhat amplified and brought down to date. At page 91 the section reads:

> That all articles of foreign manufacture or production, which are capable of being marked, stamped, branded, or labelled, without injury, shall be marked, stamped, branded, or labelled in legible English words, in a conspicuous place that shall not be covered or obscured by any subsequent attachments or arrangements, so as to indicate the country of origin. The said marking, stamping, branding, or labelling shall be as nearly indelible and permanent as the nature of the article will permit.

So that our resolution reads practically the same. But there is one provision which we have not inserted. The American law goes on to provide:

> All packages containing imported articles shall be marked, stamped, branded, or labelled so as to indicate legibly and plainly, in English words, the country of origin and the quantity of their contents, and until marked in accordance with the directions prescribed in this section no articles or packages shall be delivered to the importer.

We have not included the last provision; we thought that possibly it was not necessary. I quote further:

> Should any article or package of imported merchandise be marked, stamped, branded or labeled so as not acurately to indicate the quantity, number, or measurement actually contained in such article or package, no delivery of the same shall be made to the importer until the mark, stamp, brand, or label, as the case may be, shall be changed so as to conform to

the facts of the case. The Secretary of the Treasury shall prescribe the necessary rules and regulations to carry out the foregoing provision.

The penal clause in the United States law is as follows:

If any person shall fraudulently violate any of the provisions of this Act relating to the marking, stamping, branding, or labeling of any imported articles or packages; or shall fraudulently deface, destroy, remove, alter, or obliterate any such marks, stamps, brands, or labels with intent to conceal the information given by or contained in such marks, stamps, brands, or labels, he shall upon conviction be fined in any sum not exceeding $5,000—

That is, against the $1,000 mentioned in our resolution.

—or be imprisoned for any time not exceeding one year, or both.

Mr. PEDLOW: Before the committee rose at six o'clock I had expressed my opposition to this proposal. I have since considered the matter in more detail and I do not see why I should change my view in that regard. The fact that the United States or any other country has a provision of this kind is no reason why the Canadian Government should adopt a similar measure. If the minister can show any real necessity for this provision I might, perhaps, withdraw my opposition to it. Now, I have had some experience in matters of this kind and my opinion on this question should have some weight. As I said before six o'clock, in my judgment this measure if adopted will be absolutely impossible of enforcement; it is impracticable, and it is unnecessary. The minister apparently desires to protect the public against unscrupulous dealers. But let me say to the committee, and, through the press, if necessary, to the country, that in an experience of over forty-five years I have never known a merchant who practiced deceptive measures to be successful in business, or to remain before the public for any considerable length of time. I say that the public have the power in their own hands to deal with matters of this kind and that they do deal with them successfully. I know a town not far from Ottawa in which thirty years ago there were forty-five merchants doing business; to-day only one of the original number remains in active business. I admit that there are some merchants who attempt to deceive the public by selling, perhaps, Canadian made goods as goods of English, Scotch, Irish or German manufacture, but such merchants as I have indicated succeed only for a short time; they are dealt with by the public in very short order. Those who attempt to deceive the public live, move and have their being in business but for a brief space of time; they have not won the confidence of the public; they vanish and are soon seen no more.

Now, I had thought that we were through with restrictive measures of this kind, at least for some time. The hon. member for Durham, the former President of the Privy Council (Mr. Rowell), worked this class of legislation over time during the last three sessions. I understand that the hon. gentleman has decided to withdraw from the House. At any rate, he it was who had placed on the statute book an enactment regarding maple products which is so restrictive in its character that we have before the House this session a Bill, the purpose of which is to change or modify those restrictions.

Mr. ROBB: But it will not carry.

Mr. PEDLOW: That remains to be seen. It will have to be discussed on the floor of the House, and the fact that the member for Chateauguay-Huntingdon says so does not mean that it will not carry.

Mr. ROBB: I would point out to my hon. friend that the Bill was referred to the Committee on Agriculture and did not find one single supporter—it was thrown out.

Mr. PEDLOW: That does not alter my statement that, as I understand it, the Bill came before the House. I still maintain that because the hon. member for Chateauguay-Huntingdon says so, it does not follow that the House will support what he says. Another measure was introduced by the member for Durham providing that honey produced by bees fed on sugar should be regarded as adulterated honey. Evidently he would not allow even the bees to practice deception. I had hoped that this class of legislation was a thing of the past and that the genial Minister of Finance would not follow in the footsteps of the hon. member for Durham in this respect. Now, this resolution reads:

That all goods imported into Canada which are capable of being marked stamped, branded or labelled, without injury, shall be marked, stamped, branded, or labelled so as to indicate the country of origin. . . . in a conspicuous place that shall not be covered or obscured by any subsequent attachments or arrangements.

If we insist on that, the business people of this country will be engaged in advertising the merchandise of other countries by distributing their advertising. The

British Government saw the foolishness of that procedure, and instead of insisting that the goods be branded with the name of country of origin, they insisted that they be branded "not British manufacture". In that way they avoided advertising German goods, Swiss goods, French goods and goods of other countries. That would be a much better proposition if we must have some propositions of this kind. In that way, instead of advertising foreign goods throughout the country, we advertise the fact that they are "not Canadian made goods." Thus, no matter where the goods originate, if the public are satisfied to purchase them at the price named, they have nothing to complain of.

In connection with this resolution, there are other provisions that I take exception to. The resolution which the minister has just read as being in force in the United States contains a very necessary qualifying word in one of its sections. The penalty clause reads:

> Provided further that if any person shall violate any of the provisions relating to the marking, stamping, branding, or labelling of any imported goods, or shall deface, destroy, remove, alter—

And so on. The American Act, as I followed the minister in reading it, states:

> Shall fraudulently deface.

The word "fraudulently" is a very important word in that connection. If marking on the goods was defaced accidentally of by the process of lying in stock or otherwise, the merchant might be subject to the penalty; but if the word "fraudulently" were inserted in the second line of this paragraph of the resolution before the word "deface", the meaning of the offence would be qualified, and the Government, if they took action against a merchant, would have to prove fraud. Thus it would be more difficult to secure a conviction.

The resolution states that these goods must be branded in a conspicuous place. Before six o'clock, I called attention to some items of merchandise that certainly would be destroyed and made of less value than their real worth if they were
9 p.m. branded in a conspicuous place. I called attention to the item of hosiery. The minister thought that I was having some fun at his expense in doing so, but I was really sincere. The resolution states that these articles must be branded in a conspicuous place that shall not be covered or obscured by any subsequent attachments or arrangements. A lady buys a pair of stockings. She is not supposed, according to this resolution, to cover them up, at all events, where the brand is to be. Her skirts will have to be shorter than they are to-day. I insist that this is going a little too far in a matter of this kind. I should like to know from the minister, who suggested this provision. I know it is in the American Act, but I would advise him not to have any "truck or trade with the Yankees" in matters of this kind. It is dangerous to follow such a provision.

Even though the word "fraudulent" be inserted as suggested, and even though the penalty is less than it is in the provisions of the United States' Act, this is still a very severe penalty. In this country there are, connected with the Customs and Inland Revenue Department, a large number of officials who, I consider, are in some instances not a very desirable class of individuals. These men are detectives sent out by the Government, and they are paid on a basis that makes their service really immoral. They are paid a percentage of the fines obtained, and that makes these officials stoop to unworthy methods to obtain convictions in cases where they wish to make some money. If the minister still insists that this resolution pass, and that it is absolutely necessary in the interest of the public that it should pass, he should modify this penalty clause. A nominal fine would be quite sufficient.

There is a provision whereby goods received at the customs after September 1, when this clause comes into operation, if they are not branded according to the prescribed form of the Customs Department, the importer will in the first place be subject to a penalty of 10 per cent additional customs duty, and the goods will be retained until such time as they have been branded. What provision does the minister intend to make for branding these goods? Who will have authority to say just where these several items should be branded, because that is a very important matter? I question whether there is in the customs service to-day a man capable of saying where the conspicuous point would be for branding an article so that the brand would not destroy the selling qualities of the merchandise.

I feel seriously in regard to this proposition, and I would suggest to the minister to delay further consideration of this matter until he has consulted the business interests of this country in regard to it, if he has not done so already. The mere fact that the United States Government have had an Act of this kind in force since 1913

should not influence us to the extent that we should ignore the opinion of our own people. If the minister would follow my advice, he would be saved in years to come a great deal of trouble in such as he came through in the past year in connection with the luxury tax and the provisions of the Single Tax Act. The provisions which I have referred to already, are those governing the definition of "manufacture." That caused a great deal of trouble; it was under discussion from the time the Bill was introduced last May until yesterday. The decision of the courts was handed down only yesterday, so that all the trade affected by that enactment of last year was in a state of turmoil and unrest during the entire year. I would, therefore, suggest that the minister allow this resolution to stand over for further consideration.

Sir HENRY DRAYTON: Perhaps my hon. friend has not quite grasped the real underlying purpose of this resolution. It is certainly not intended to bother purchasers of goods one way or another, and it will not and cannot. It is intended to put the Canadian people in the position of knowing what goods they are buying, and it is something which is asked for by a large section of the people. Rightly or wrongly, we have in Canada—and I think it is a very good thing that we have it—a large percentage of our people who are genuinely interested in trying to advance British trade. They want to know when they are buying a British made article. I do not know of anything which will help British trade more than the present proposal, and without cost to the Canadian public—and not only without cost to the Canadian public, but to their advantage, for they will know what they are getting. I would point out to my hon. friend that this provision applies only to goods which can be marked without injury. There is no idea in anyone's mind of putting stencil marks on expensive lace, for example, or anything of that kind. That has never been attempted anywhere. Nothing will be marked except what can be marked without injury.

Mr. PEDLOW: Who will decide what class of merchandise can be marked without injury?

Sir HENRY DRAYTON: The whole of that will be definitely decided in printed regulations to be drawn up, and in drawing up those regulations I hope that we shall be able to get the benefit of my hon. friend's business experience, because I am sure he would be able to help us. The provision as to not covering the marks is one that applies only to the person who is handling the goods. It is not for the purpose of the customs that these marks have to be put on, for the customs can easily satisfy themselves where the goods are coming from. Take, for example, the simple illustration which I have already given. It has been often alleged that German knives are being sold as English knives. Now the whole idea in having the knives marked "Made in England" in the one case, and "Made in Germany" in the other, is to ensure that the Canadian purchaser of that cutlery will know what kind of cutlery he is getting. If it is marked "Sheffield"—and Sheffield cutlery has a great reputation—he will know that he is getting Sheffield cutlery. I am told that some German goods today have "Sheffield" marked on them. What we are endeavouring to ensure is that the Canadian purchaser will know what he is buying, and that is all, so far as any question of covering up the mark is concerned. You have a knife brought in, we will suppose. It is marked all right, but suppose that a dealer in knives in Canada says: "The market for the English knife is much better than for the continental knife. A little bit of acid will take those words out, and I can easily put in the words "Made in England". Now that would be a serious offence, and it is that sort of thing that we are trying to stop. This has nothing whatever to do with what happens to the article after it has been purchased by the final consumer.

Mr. FIELDING: So far as the object of the hon. gentleman is to prevent fraud and deception, we all must sympathize with him, but it seems to me that he needs to go a little further. He has said that there are a great many people in Canada who want to buy British goods. That is very commendable, but there are also a great many people in Canada, and I am willing to be counted as one of them, who want to buy Canadian made goods. Now if it is important that a man should know whether he is buying British made goods, it is equally important that he should know whether he is buying Canadian made goods, and it seems to me that to carry out the intention of my hon. friend he should require that Canadian goods should be marked "Made in Canada". I do not think there is any escape from that. If the marking system is useful at all, it ought

to work both ways, and it seems to me that to have the goods marked "Made in Canada" would be a protection of a legitimate kind to the Canadian manufacturer. My hon. friend from Renfrew (Mr. Pedlow) has said that within his knowledge people have sold Canadian goods and represented them to be British. That is equally fraudulent. There is a great "Made in Canada" movement in this country to-day in favour of buying Canadian made goods. If we want to encourage that movement, we want to make sure that we are getting Canadian made goods, and it seems to me there is just as much reason for insisting on the goods being marked "Made in Canada" as there is for imported goods to be marked, as is provided here. The object is the same in both cases—to see that we get what is represented. Why should we be open to deception in the case of Canadian made goods, and protected against the invasion only of British goods is not very plain.

Sir HENRY DRAYTON: This could hardly be called a protection against the invasion of British goods. This is something that the British Importers' Association have asked for. It is something which they say is in the interests of their fair and legitimate trade in this market. It is something which they have been very anxious to have provided. So far as Canadian made goods are concerned, if this law carries, and there is no mark on the article, it is Canadian.

Mr. FIELDING: That does not follow.

Sir HENRY DRAYTON: Why not? If this law is passed, and if it is observed, every article imported into the country will have the name of the country of origin upon it, and the only articles left will be Canadian made articles. I would think it would be a good thing for Canadian manufacturers to mark on their products that they were made in Canada. I know that in connection with butter and cheese our sales at one time were greatly increased just by reason of the fact that we were calling these products Canadian. Canadian bacon also had a wonderful standing in England; it was a great thing to be able to label your stuff "Canadian bacon". I think the hon. gentleman will agree, however, that in a Customs Act we cannot deal with the question of marking our local goods.

Mr. ROBB: I think it would cover the suggestion of my hon. friend from Renfrew and my hon. friend from Shelburne and Queen's if the section were amended to read "all goods imported into or manufactured in Canada".

Sir HENRY DRAYTON: I do not think the hon. gentleman quite caught the point I made. How is it possible in a Customs Act properly to deal with the marking of Canadian goods?

Mr. PEDLOW: The minister does not seem to have caught the point I made. It is this: The British Government have already enacted legislation providing, not that the goods shall be marked with the country of origin, but the very reverse, and I know that the object of that legislation was to prevent the advertising in Great Britain of goods, wares and merchandise that are the manufacture of foreign countries. Their legislation provides that importations from foreign countries, instead of being marked with the name of the country of origin, shall be marked "Not British manufacture," and that British products shall be marked "British manufacture." I submit that that would be an improvement on the present proposal. I appreciate the minister's effort to encourage the demand for Canadian made goods. He has been preaching that all over the country, in Montreal, Toronto, and other places, but I would call the attention of the House to the fact that at least some of the departments of the Government are not supporting the minister in that regard. For instance, I take up a pen and find that it is marked "Made in the United States"; I take up a packages of pins upstairs, and instead of finding the inscription British or Canadian, I see that the package also bears the label "Made in the United States"; and the same with this pencil I have in my hand; it also was made in the United States. These articles are all furnished by the Government to members of the House. I think that business, like charity, should begin at home, and when the Government is preaching certain principles, they should see to it that their employees are first to live up to those principles. I notice the Purchasing Commission is buying, for this magnificent new building, rugs made in the United States, England and elsewhere, notwithstanding that better rugs can be purchased here for less money which are made right here in Canada. If the minister really desires to have the people buy "Made in Canada" goods, he must—to protect the interests of the Canadian manufacturer, as well as, according to the Government, the tax payer—set the example himself and insist

that the various departments of the Government, as well as the Purchasing Commission, shall carry out those ideas which they instil into the public. The minister should allow this resolution to stand. I am sure that if he waits until he hears from the mercantile interests of the country he will amend it considerably. I am satisfied that as it stands it will serve no good purpose, and will only entail an enormous amount of trouble. The minister has had enough trouble during the past year with regard to another measure against which I protested at the time it was enacted.

Mr. CLARK (Red Deer): I think that, on general principles, an arrangement of this kind is bad. Of course, I despair of the Committee being in agreement with me on that subject. I object to interference with trade, and an interference of this small and petty order is particularly objectionable. I do not urge that point, however; but I am very much impressed with what has fallen from my hon. friend from Shelburne and Queen's (Mr. Fielding). The minister tells us that his action has been supported by the British exporters. Well, while I am not a protectionist, I believe in fair play to the Canadian manufacturer, and I am not at all sure that it is quite fair to our own manufacturers to give a voluntary advertisement of this kind to goods produced even in Britain. Why should we give a special advertisement to British goods by Act of this House? It surely amounts to that. There is a great deal in what my hon. friend from Shelburne and Queen's indicated on that point. The minister replies that it would be difficult to carry out the suggestion of the hon. member. Indeed, it would be impossible by the Customs Act; it would require other legislation to compel the labelling of Canadian goods "Made in Canada". But that does not remove the objection to any special advertisement being given to British made goods as against Canadian products. If there were a real desire to promote commerce with Britain, of course, my hon. friend knows that I could give him a recipe along that line much more valuable to the Canadian and the British consumers than the mere marking of goods coming from Britain. If he would lower the bars a little, that would be a fair field and no favour; but a special advertisement for British goods seems to me to be a discrimination against the Canadian manufacturers that cannot very well be defended on grounds of logic.

[Mr. Pedlow.]

Mr. NESBITT: The Canadian manufacturers are not a bit alarmed at the British marking their goods British made. The Canadian manufacturers are perfectly willing to compete with British made goods, and there are few people in Canada who do not mark their goods "Made in Canada", or who do not indicate the town in which they are made.

Mr. CLARK: The hon. member takes a large order when he speaks for all the manufacturers of Canada.

Mr. NESBITT: I do not know of any manufacturers who are afraid of competition with British, or German, or any other goods.

Mr. PEDLOW: Will the minister not amend the resolution in conformity with the American resolution, by adding the word "fraudulently" before the word "deface" in the third last line? I move that the further consideration of this resolution be postponed.

Motion negatived.

Resolution agreed to.

5. Resolved, that any enactment founded on the preceding resolution shall be deemed to have come into force on the first day of September, nineteen hundred and twenty-one.

Sir HENRY DRAYTON: The object of this fifth resolution is to prevent the previous resolution immediately coming into force, so as to give every one an ample opportunity of conforming to the law without any trouble. I may point out that there is not likely to be much trouble, because most countries that are exporting into Canada also, to some extent, export into the United States. This gives to September 1 next to comply with the previous resolution.

Mr. PEDLOW: I submit that the time given is not sufficient. Contracts are placed with European and British manufacturers sometimes seventeen and eighteen months ahead, and it is utterly impossible for them to be varied now. I suggest that the time be extended to at least six months from the present date. Great hardship to importers of merchandise into this country would be created if the resolution as it now stands became law.

Sir HENRY DRAYTON: As a matter of fact, one month would be ample. The American market is very largely similar to our own so far as the character of consumption is concerned. In order that there may not be the slightest possible difficulty, however, I have no objection to making

it October 1 instead of September 1. I therefore move to amend the resolution accordingly.

Resolution as amended agreed to.

The CHAIRMAN: Before I report this resolution, I may state that the hon. member for Hull (Mr. Fontaine) has requested me to obtain the unanimous consent of the committee for him to ask a question concerning resolution No. 2 which was passed during his absence this afternoon. There was a question of returning to and reopening the clause for discussion, and this, of course, would also require unanimous consent. The ends desired, I think, would be better met by unanimous consent being given that the hon. gentleman have leave to ask the question.

Mr. FONTAINE (Hull): (Translation.) Mr. Chairman, if I make that request, it is because I have received to-day many protests from druggists claiming that they have to pay high duties on alcohol, while manufacturers of pharmaceutical products are not obliged to pay that tax. Will the hon. Minister of Finance (Sir Henry Drayton) be kind enough to let me know if it is a fact that the manufacturers of the pharmaceutical products have not to pay $10 per gallon for alcohol, while druggists, who prepare themselves many prescriptions of which alcohol is a part, are forced to pay that tax?

Sir HENRY DRAYTON: The tax that the hon. gentleman has referred to—to the extent that I have been able to follow him—is the excise duty that druggists have to pay and which is covered by the resolutions we have not yet considered. We have been considering, the hon. gentleman will see, the customs regulations. We come down in the next resolution to the excise duties and bonding privileges, at which time the consideration the hon. gentleman desires to have given to that question can be given.

Mr. FONTAINE: (Translation.) I am willing to wait, as has been asked by the hon. minister. I understand, however, that druggists are dissatisfied, for they have to pay a very high tax on alcohol which they need for their pharmaceutical products, while the manufacturers can obtain alcohol free of that duty. If that be the case the druggist, who prepares all the elixirs which are included in the medicines, would be greatly discriminated against. Then Mr. Chairman, druggists sell their products to consumers. Such people call at the drug stores for the prescriptions which they need, and if the druggist is obliged to pay such a high duty he must necessarily sell his product at a high price. It would certainly be a grave injustice and it would show that what has been said yesterday during the debate on the Budget by the hon. leader of the Opposition (Mr. Mackenzie King) that the Government seems to be on good terms with the big interests is absolutely true, as about thirty manufacturers at the most would be protected and could secure the alcohol for their medicines in paying a comfortably low tax, while three or four thousand druggists could not get the same favour from the Government, being obliged to pay that duty, which would force them to charge a higher price for their medicines.

That seems to me to be a very serious situation, as you know, Mr. Chairman, that the buying of remedies is a daily need. It would be a crying injustice, if I am inclined to believe that the hon. Minister of Finance will do justice to whom it concerns. Once more I say that I am willing to wait for the proper moment in order to better discuss that resolution, but I want to state right now to the hon. minister that I will not allow without raising my voice that privileges be granted to thirty trusts or so while three or four thousand druggists will have to suffer from that situation and be obliged to sell their products to the consumers at a much higher price than they should.

Sir HENRY DRAYTON: My hon. friend is not right in thinking there is any distinction made in the resolutions we have been considering, and which are customs resolutions, between the retail druggist that he speaks of and the patent medicine manufacturer; the tax of $10 is the same on all imported alcohol. The supplies of alcohol for the patent medicine manufacturer are dealt with under the resolution which immediately succeeds the present resolution. It is not touched at all by what the House has done.

The CHAIRMAN: Shall I report the resolutions?

Motion agreed to.

Resolutions read a second time and concurred in. Thereupon Sir Henry Drayton moved to introduce Bill No. 199 to amend the Customs Tariff, 1907.

Motion agreed to and Bill read the first time.

WAYS AND MEANS—INLAND REVENUE

On the motion of Sir Henry Drayton the House went into Committee of Ways and Means on the following proposed resolutions, Mr. Boivin in the Chair:

1. Resolved, That it is expedient to amend The Inland Revenue Act as amended by Chapter 6 of the Acts of 1914 (second session) by repealing section 154 thereof and substituting therefor the following:—

154. There shall be imposed, levied and collected on all spirits distilled, the following duties of excise, which shall be paid to the Colector, as herein provided, that is to say:—

(a) when the material used in the manufacture thereof consists of not less than ninety per centum, by weight of raw or unmalted grain, or when manufactured from sugar, syrup, molasses or other saccharine matter not otherwise provided for, on every gallon of the strength of proof by Sykes' hydrometer, nine dollars, and so in proportion for any greater or less strength than the strength of proof, and for any less quantity than a gallon;

(b) when manufactued exclusively from malted barley, taken to the distillery in bond and on which no duty of customs or excise has been paid, or when manufactured from raw or unma ted grain, used in combination, in such proportions as the department prescribes, with malted barley taken to the distillery in bond and on which no duty of customs or of excise has been paid, on every gallon of the strength of proof by Sykes' hydrometer, nine dollars and two cents, and so in proportion for any greater or less strength, and for any less quantity than a gallon;

(c) when manufactured exclusively from molasses, syrup, sugar or other saccharine matter, taken to the distillery in bond and on which no duty of customs has been paid on every gallon of the strength of proof by Sykes' hydrometer, nine dollars and three cents, and so in proportion for any greater or less strength, and for any less quantity than a gallon.

Provided however that any person licensed by the Minister of Customs and Inland Revenue to manufacture patent and proprietary medicines and pharmaceutical preparations by the use of spirits in bond subject to The Inland Revenue Act and regulations thereunder, the following duties of excise shall be imposed, levied and colected, that is to say:—

(a) when the material used in the manufacture thereof consists of not less than ninety per centum, by weight, of raw or unmalted grain, or when manufactured from sugar, syrup, molasses or other saccharine matter not otherwise provided for, on every gallon of the strength of proof by Sykes' hydrometer, two dollars and forty cents, and so in proportion for any greater or less strength than the strength of proof, and for any less quantity than a gallon;

(b) when manufactured exclusively from malted barley, taken to the distillery in bond and on which no duty of customs or excise has been paid, or when manufactured from raw or unmalted grain, used in combination, in such proportions as the department prescribes, with malted barley taken to the distillery in bond and on which no duty of customs or of excise has been paid, on every gallon of the strength of proof by Sykes' hydrometer, two dollars and forty-two cents, and so in proportion for any greater or less strength, and for any less quantity than a gallon;

(c) when manufactured exclusively from molasses, syrup, sugar or other saccharine matter, taken to the distillery in bond and on which no duty of customs has been paid, on every gallon of the strength of proof by Sykes' hydrometer, two dollars and forty-three cents, and so in proportion for any greater or less strength, and for any less quantity than a gallon.

Provided further that when such spirits testing not less than fifty per centum over proof are sold delivered in such limited quantities as may be prescribed by the Minister of Customs and Inland Revenue to any university or scientific and research laboratory for scientific purposes only, or to any bona fide hospital, certified to be such by the Department of Public Health, for medicinal purposes only, a drawback of ninety-nine per centum of the duty paid may be granted, under regulations to be made by the Minister of Customs and Inland Revenue.

2. Resolved, That any enactment founded on the preceding resolution shall be deemed to have come into force on the tenth day of May, nineteen hundred and twenty-one.

Sir HENRY DRAYTON: Mr. Chairman, there is a lot that is very technical in the wording of the resolution, but it follows the regular form of keeping the duties properly in line. Shortly, what is done is this. The excise duty is raised to $9 a gallon—

Mr. FIELDING: From what?

Sir HENRY DRAYTON: From $4.40. It may be compared to the raise in customs from $5 to $10. Two exceptions are made, and I can assure the committee that they were not made because we would not have liked to get the revenue. They were made because it was felt that a good deal of hardship had resulted from the higher tax level, even having regard to the rate of $4.40 of last year. Hospitals, of necessity, use for medicinal purposes a great deal of alcohol, and it was not a particular complaint here or there, but generally hospitals represented that they were having great difficulty in making both ends meet, and that this new tax aggravated the difficulty. We propose in the present resolution to help the hospitals materially. Under the old law they paid, on a basis of $2.40 a gallon, and last year they paid as I have stated, on the basis of $4.40 a gallon. Our proposition now is in view of their difficulties in properly carrying on, and recognizing the great value of their work, to give them a refund of 99 per cent of all duty paid on spirits which are used by them for medicinal purposes.

Another matter in connection with which we have had a lot of complaint is as to the added cost of all pharmaceutical compounds and preparations in the manu-

facture of which alcohol plays a part. Not only did it apply to patent medicines as we generally understand them, but also to the regular standard pharmaceutical preparations of usual acceptance and use by physicians. We propose to provide that, under the regular policing which has to take place whenever special privileges are granted in connection with liquor taxation, the tax will be reduced to the old standard of $2.40 a gallon. The result will be that, so far as our taxation is concerned, these preparations and patent medicines return to the former level of cost.

There is also another matter which has arisen with insistence since the resolution was printed. It appears that essences and extracts are not entirely manufactured by pharmaceutical chemists, but by manufacturers who are not at the same time manufacturing any pharmaceutical goods. So in order to put them on a parity with manufacturing chemists, I beg to move that the resolution be amended by adding to the second paragraph of subsection (c) after the word "medicines" on the third line the words "extracts, essences."

Mr. FIELDING: Representations have been made that the operation of these changes is very much to the disadvantage of the druggists, as the resolution which the hon. gentleman has proposed would apply to the larger operators, but would not affect transactions of the ordinary druggist who uses alcohol in the making of many preparations. Do I understand from my hon. friend that the druggists get the full advantage of this: that they are not penalized as they think they are?

Sir HENRY DRAYTON: It is a matter for the druggist whether or not he accepts the provision enabling him to carry on the manufacture. Of course, the taking advantage of the provision involves expense. An Ottawa druggist came to me and asked me about it the other day and I pointed out to him that he could get the full advantages given to larger manufacturing chemists if he was willing to go to the expense. He said that it would not pay him; that he could buy practically all these things ready prepared by manufacturing chemists, and do so more cheaply than he could make them himself. But if any chemist desires to bond his premises for the purpose, it is open to him to do so. I am afraid though, that it would not pay him.

Mr. FIELDING: Is there any change in the present regulations.

Sir HENRY DRAYTON: I think so, for this reason: under the former regulations all manufacturing chemists had to pay the full rate. Very strong representations were made last year by manufacturing chemists that they could not possibly carry on business at these high rates; that the price of proprietary and patent medicines, which they described as the poor man's medicine, would have to be tremendously increased. Under those conditions all were in the same position; the man who wanted to use only a dram of alcohol was in exactly the same position as the man who had to use gallons in large manufacturing operations. Obviously, if you are going to make a specially low rate for these patent and proprietary medicines, hospital requirements, and so on, they must come in under the bonding privilege and a man must be kept on the premises for police purposes.

Mr. FIELDING: I am not complaining of anything that my hon. friend is doing for the large manufacturing concerns; still less am I complaining of the concession he is making to hospitals. But if the druggists, who are a very numerous body in the country, doing a work which is certainly of value, are to be made subject to difficulties which they have not had to experience hitherto, then I am afraid my hon. friend is not considering the greatest good of the greatest number. I have in my hand a telegram—I do not need to read it—in which the representation is made that while my hon. friend's proposed changes may favour a few large manufacturers, it will penalize all the druggists of the country. That is the representation which is made; I do not state it of my own known knowledge. But if it be a fact, then the explanation that this provision will help a few large manufacturers will not be a satisfactory explanation to the druggists.

Sir HENRY DRAYTON: I assure my hon. friend that there is not the slightest intention of helping the manufacturer particularly. Canada is a country of large distances and sparse population, and rightly or wrongly the Canadian people do rely on proprietary medicines. Indeed, in many districts where there are no chemists the people have to rely on these proprietary medicines and the regular pharmaceutical preparations. I would say at once that the provision does make a difference to the chemist who desires to use alcohol in the preparation of his prescriptions; it is the difference between $2.40 and $9. It is hard to get any approximate idea of how much

alcohol the chemists use, but the gentleman to whom I was talking said that he was using about three gallons a year. The truth is that the great majority of chemists buy from the large manufacturing concerns, because in that way they can get it cheaper and better.

Mr. FIELDING: My hon. friend is giving a very good advertisement for the patent medicines. I do not object to that. Some of them are said to be of a trashy character, but a great many of them are very excellent especially for use in the country districts where there is no chemist or doctor near at hand, and in that respect I appreciate their value. But if in the changes proposed my hon. friend is putting new burdens and new taxes upon the druggists of the country, the fact that he is making it a little easier for the large manufacturing concerns is not going to be a satisfactory explanation.

Sir HENRY DRAYTON: There is no change in regulation, though there is a change in the rate of tax. Last year I was scolded for taxing the poor man's medicine which was made by these very manufacturers; this year I am trying to get away from that and to make the poor man's medicine cheap. Unfortunately there are some chemists who still make up their own alcoholic preparations, and it will cost them just so much more under thns provision. If there is any suggestion my hon. friend has to offer by which the matter could be worked out to better advantage I would be most happy to consider it.

Mr. FONTAINE: (Translation.) Mr. Chairman, I understand very well the reasons set forth by the hon. Minister of Finance. While I recognize the advisability of protecting the large manufacturing concerns, I do not see why it should be necessary to make such a big difference in rates as that between $2.40 and $9. I know that patent medicines are of advantage and are greatly appreciated in the country districts where there are neither chemists nor doctors; but it is not fair to compel three or four thousand druggists to pay a tax of $9, when their competitors, the manufacturers of patent medicines, have to pay only $2.40. It may be a somewhat intricate question, but it seems to me that the hon. minister with his ability in providing for taxes and his experience, should find a means not to so discriminate against druggists. The Government is protecting about thirty large manufacturing concerns at the expense of four thousand chemists. But these chemists are not the only people to take into consideration. It is a well known fact that the chemist is not the party who will pay the increased tax on alcohol. He will simply increase the price of his products and it is the consumer, the sick person who goes and gives him the doctor's prescription who will have to pay for the difference. Instead of paying $1 for a bottle of medicine, he will be charged $1.50 or even $1.75. It is always the same old way of protecting a few privileged ones and not those who ought to be protected. Baptiste is always there to pay. The opinion expressed by the hon. leader of the Opposition that the consumers should be protected applies very well to this case. They are always protecting the manufacturer, always favouring a special class, and always calling upon the mass of the people to give out their money.

It does not befit me to tell the minister how he should arrange his taxation, but I venture to call his attention upon an anomaly which entails a very serious injustice. The chemist is called upon to pay the tax, but the ultimate sufferer will be the consumer. It is not reasonable and since taxes have to be imposed, they should be distributed as fairly as possible among all the people. Let there be no privilege and if the rate must be fixed at $9, let everybody pay that rate. If it is possible to make an exception for some, let us make it for all, in order that everybody be treated alike.

Sir HENRY DRAYTON: I think the hon. gentleman says that there are about 4,000 retail druggists and 30 wholesale druggists in Canada. Would he, being a doctor, know how much alcohol the ordinary druggist uses in the preparation of medicines?

Mr. FONTAINE: (Translation.) I could not give the figures, but to-day, a chemist told me that he bought large quantities of alcohol, having to prepare all his drugs and all his elixirs and that he will have to stand the adverse competition of large manufacturers who are not called upon to pay this tax.

Once again, Mr. Chairman, I am unable to give you any figures, being no chemist, but a doctor; however, I understand that to-day chemists are using a great deal of alcohol because they cannot afford to buy all their products in a manufactured state on account of competition. They manufacture their own products and this is why they use such a large quantity of alcohol.

Sir HENRY DRAYTON: I wonder if the hon. member for Inverness (Mr. Chisholm) could tell the committee how much alcohol is used generally by the ordinary druggist in filling prescriptions of medical preparations?

Mr. CHISHOLM: The minister has given me quite an order. As regards my practice, I buy my drugs from the manufacturers, but we use a large quantity of alcohol for other purposes besides medical preparations. Large quantities are used for experimental purposes. The minister has given a very commendable concession to hospitals. I have not a hospital in my county; we need alcohol every day in very substantial quantities for purposes that he quite understands, and we have to pay the high figure for this alcohol, while those who are better off can go to the hospitals and enjoy cheap alcohol. The manufacturers also get this concession. Personally, I do not manufacture drugs, and my knowledge of what goes on in the drug stores is limited because I buy my drugs from the manufacturers. I am sorry if I have not given the minister very much information.

Sir HENRY DRAYTON: I am very much obliged to the hon. gentleman. Could he help us further? He says that this is a first-rate thing to do for the hospitals. Could he suggest any way in which the doctors could be similarly placed to the druggists?

Mr. CHISHOLM: I suppose by extending the same privilege to the doctors and druggists as the minister is giving to the manufacturers.

Sir HENRY DRAYTON: The manufacturers are put under regulations and bond.

Mr. CHISHOLM: What are the conditions under which the manufacturers get this privilege?

Sir HENRY DRAYTON: They are under bonds, and regulations, and the department also appoints men for the purpose of overseeing every single thing the manufacturers do, seeing that they do not use the alcohol for any other purpose. They have to pay all expenses of that supervision.

Mr. CHISHOLM: Is it the privilege of the manufacturer to sell the alcohol to the druggist for the same price when it is to be used for this purpose?

Sir HENRY DRAYTON: This special price is merely for the purpose of manufacturing these medicinal preparations which are supposed to be proper and essential to health.

Mr. STEWART (Lanark): It might be inferred from the discussion that, under the provisions that are here made, there was a conflict, between the manufacturer and the retail druggist. As I understand the matter, no provision is made in the resolution in favour of the manufacturer. There is a provision permitting the sale of alcohol at $2.40, for a purpose, without reference to who uses it for that purpose. The manufacturer has no concession that is not available to any one, a doctor or a druggist, who takes advantage of it in the way that is provided in this resolution.

10 p.m.

The difficulty, as I understand it, is to protect the Government in the use of $2.40 alcohol as against $9 alcohol for beverage purposes. So far as I understand the position of the manufacturing pharmacists, they would be delighted to secure alcohol at $2.40, but as I understand the department's position, it is that all who use the alcohol for the purposes of the exemption set out in the Act must do so under Government control. If there is to be an exemption provided, and alcohol is permitted at $2.40 a gallon, the department feel that they must follow it from the point where it issues, in the Inland Revenue Department, to the point where it is used for the purpose for which the lower duty was granted.

The point I want to emphasize is that there is no provision in the Act in favour of the manufacturer as against the retailer. In the last analysis the difficulty is that the retailer may be operated against for the reason that he may not be able to use sufficient alcohol to pay for the supervision which the regulations that will be drafted under the Act will in all probability require. There is really no difference in principle between the conditions that will exist under this provision in the law and the conditions that have existed heretofore. Manufacturing pharmacists have been obliged to manufacture under Government control for years, for the reason that in manufacturing in bond, non-potable alcohol was permissible, and has been for years—not permissible for the manufacturer, but permissible for any one who manufactured it for the purpose, and who was in a proper position, both with regard

to the equipment of his premises, and with regard to manufacturing a sufficiently large quantity to justify the Government supervision. The regulations of the department have always provided that the personal supervision of the Inland Revenue officer had to be paid for by the party who was using that service. The point I want to emphasize is that so far as the manufacturer and retailer are concerned there is absolutely no conflict of interest, but there may be an operation that will place the retailer in a less favourable position than the manufacturer. That is only as a result of the fact that for reasons which he may or may not be able to control—the volume of his business, for instance—the provisions here may operate against him.

Mr. FIELDING: My hon. friend has stated the matter very fairly, yet the law will work out in this way, that the large manufacturer will get his alcohol at $2.40, while the druggist will have to pay $9. Now that is a striking fact. I grant you that it arises out of the condition of bonding regulations. We can all understand that a large manufacturer may be able to afford the expense of a bonding system which the smaller man cannot afford. May I ask the Minister of Finance at what rate the druggists are getting their alcohol to-day?

Sir HENRY DRAYTON: $4.40.

Mr. FIELDING: Why increase that to $9?

Sir HENRY DRAYTON: Their rate was a general rate before. It has to be a general rate unless the Government keeps its hand on that alcohol from start to finish, until the Government sees that it is put to the purpose for which the lower rate of duty is thought to be advisable.

Mr. FIELDING: I quite appreciate the difficulty which my hon. friend has. On the other hand, it is worth remembering that the druggists as a class—there are exceptions; there are even bad politicians—are a fine type of men. They are all licensed by their respective provinces. The medical men of this country also, I say it to their honour, are almost invariably men of high class. Only rarely will you find a medical man who is prepared to abuse the law and issue a lot of prescriptions for alcohol for beverage purposes, but these, after all, are the exception. The great mass of the medical men and druggists are law-abiding citizens who will try to meet the regulations, and I think the minister should devise some means of making the tax lower. I am not able to suggest at the moment just what it should be, but we have the striking fact that the large manufacturer is getting his alcohol for $2.40 while the druggists and doctors who undertake to put up medicines are paying $9. That is a condition which the public generally will think ought not to exist. I do not venture to suggest any change, but I think the minister ought to devise some means of making the tax lower. I think he could trust to a very large degree both the druggists and medical men. I grant you that once in a whole druggists may abuse the law. I have seen cases where medical men have issued a volume of prescriptions under the Ontario and Nova Scotia temperance laws, which made it clear that they were abusing the law, but these, after all, are the exceptions, and we must not make regulations to deal with exceptions. We should try to adapt them to the general conditions of the country. I do not believe that the average medical man and the average druggist needs as much watching and such an expensive bonding system as my hon. friend is going to impose upon them.

Mr. STEWART (Lanark): I am in entire accord with the hon. member for Shelburne and Queen's (Mr. Fielding) in everything he has said. I want to go a little further, and say this. There is no more reason why the alcohol that goes into the manufacture of a medical preparation—I do not care whether it is manufactured by a druggist, a large manufacturer, or a retailer, or whether it is compounded by a doctor—should be taxed any more than any other ingredient in that preparation should be taxed. If it is properly medicated, it should not be taxed at all. The fact is that alcohol entering into the manufacture of medicinal preparations has been taxed all during the years simply as a result of the fact that alcohol was also available for beverage purposes.

Mr. FIELDING: We have cured that now by legislation.

Mr. STEWART (Lanark): In theory, perhaps. What I rose to say was that the whole thing to-day is a matter of control, and there is no reason why the control could not be put upon a basis that would make it available for people who did not require as large a quantity of alcohol as some other people. That is all a matter of control. If the Government can be protected in the use of alcohol,

there is absolutely no argument that I know of that can be advanced against the retailer, the druggist, or the physician who compounds his own medicines, getting alcohol at $2.40, just the same as the man who manufactures it in quantities sufficient to enable him to go to all this expense that is now necessary for the purpose of carrying out the regulations of the Government. It is entirely possible, and I would suggest to the minister that the regulations might be worked out in a way that would be advantageous to all who compound medicines legitimately, and at the sametime protect the Government, because, after all, that is the only question at issue.

Mr. MANION: In order to clear up the point, I may say a word as one who has practised medicine for quite a few years. The vast majority of druggists or pharmacists buy their medicines ready made up. I am speaking more especially of druggists and pharmacists in Ontario and the West. They buy their tinctures and elixirs, as mentioned by my hon. friend from Hull (Mr. Fontaine), ready made up from the large manufacturing chemists, such as Wampoles, Parke Davis, and various other firms. So that in a great number of cases, particularly in Ontario and the West, the druggist does not compound his own elixirs or tinctures, because the manufacturing chemist can make these preparations much better and more cheaply, and in a more palatable form than can the druggist. Regarding the doctors who prepare their own prescriptions and dispense them, as stated by my hon. friend from Inverness (Mr. Chisholm), there are a few who will be touched to a certain extent in this respect, but I think that even my hon. friend from Inverness will admit that for most of his medicines he imports his tinctures and elixirs ready prepared. I think I am correct in that. The hon. member signifies his concurrence in the statement. Most doctors in the cities do not dispense their own medicines, but my hon. friend and others who do so, import their own elixirs and tinctures ready prepared, so that these preparations which go to make up the medicines they would dispense would not be touched. They would not have to pay on them; they escape the tax by buying from the manufacturing chemists. As my hon. friend from Inverness states, there is an occasional case where a doctor might wish to give whisky as a stimulant, or might prescribe alcohol for rubbing purposes. That is a case where no doubt those who dispense their own medicines would be interfered with. And the same thing applies to druggists selling alcohol for rubbing purposes. I should think it would be a very difficult thing to make a law which would protect the Government and the people against any infractions of it, not so much because the doctors or the druggists would seek to break the law, but because, as occurs in the prohibition parts of the province from which I come, men are continually coming and asking for a bottle of alcohol. Foreigners particularly come and ask for a quart of alcohol, and when they are asked for what purpose the liquor is wanted, they say it is for rheumatism, for rubbing the joints, and so forth. As a matter of fact, before prohibition came into force, I cannot recall any foreigners coming and asking for a prescription for a quart of alcohol for rubbing purposes.

Mr. BUREAU: It is wanted for rubbing inside.

Mr. MANION: I give that as an illustration of the way in which the law is infringed, not because doctors purposely give prescriptions to persons who want the liquor merely as a beverage, but because men succeed in getting these prescriptions for application and use the alcohol for drinking purposes. The vast majority of doctors and druggists in Ontario and the West buy their tinctures and elixirs ready prepared from the manufacturing chemist, and this tax will not apply to them, with one exception suggested by my hon. friend from Inverness, in the case of giving alcohol for rubbing purposes, in connection with which there may be a disability imposed upon certain people.

Mr. BLAKE: The point raised by the member for Shelburne and Queen's (Mr. Fielding), has not so far been dealt with, and that is that chemists and druggists should have some better rate than $9. I was speaking to a druggist in the city who makes up his own tincture of iodine, and I learned that he uses one gallon per month. He will be precluded from doing that and will have to buy tincture from the pharmaceutical houses. I do not know that that will make much difference. The pharmaceutical manufacturer can get alcohol for $2.40 a gallon, and the druggist has to pay $9, so that he is precluded from doing any manufacturing whatever. I do not see any way by which you can overcome this difficulty. If you legislate so that what the druggist uses for manufacturing purposes will be charged excise at $2.40,

and what is required for beverage and rubbing purposes will be charged at $9, it will be impossible to collect the tax. It would simply resolve itself into either giving the druggists the same rate as is charged at present, or a lower rate, or else the flat rate of $9 for all they use. If you say that what is used for manufacturing purposes will be charged at $2.40, some druggists would say that all of the alcohol used was for manufacturing. As the member for Lanark (Mr. Stewart) says, they would put in some tincture of gentian or medication, and say that they used the alcohol for manufacturing purposes. As I say, it resolves itself into the question whether the druggists shall be given a rate of $2.40, or an intermediate rate, or whether the rate shall be left as it is. In the West—I speak particularly in regard to Manitoba—alcohol is not obtainable by the public, except on a doctor's prescription for drinking or application. Practically all the alcohol handled in Manitoba is therefore obtained through the prescriptions of doctors, who can prescribe only 12 ounces. Of course, it all comes through the Government vendor and the revenue could be charged on it through the vendor. In Manitoba, the alcohol used for beverage purposes is all bottled before it leaves the Government vendors, but in regard to the other alcohol handled by the druggists, I think it would be only reasonable to leave the rate at $4.40.

Mr. FIELDING: I am sure the Minister of Finance is as desirous as any of the rest of us to make the taxes reasonable. The druggist is now paying $4.40. What is the matter with the present regulations? If the present rate is sufficient, why increase it?

Sir HENRY DRAYTON: The druggist pays $4.40 in the open market. If we had never raised the duty from $4.40 to $9 the question would never have come up, except in regard to patent medicines, which it was claimed did not show a profit in the year's business, and the prices of which had to be largely increased. We have the right of making regulations which will enable the law to be properly carried out, and if there is any possible way in which this matter can be satisfactorily adjusted, I shall be happy to consider it. At the moment, I confess that I cannot see that there is anything better than the present proposal.

Mr. FONTAINE: (Translation.) I think that the suggestion made by the hon. member for Queen's and Shelburne would be the best. The rate of $9 per gallon which it is proposed to ask of the druggist is out of all proportion to the rate of $2.40 per gallon which is asked from the manufacturer. It seems to me that there should be an intermediate rate and that the duty of $4.40 which prevailed in the past should be considered as quite sufficient. I realize that the manufacturer has to go to some expense for the putting up of a warehouse and to pay the cost of a government inspector, but even taking such expenditure into account, I think, that there is too great a margin between what he has to pay and the amount of $9 which is required for a druggist. We should adopt a middle term and leave the tax as it is. A druggist is a graduate, an honoured and conscientious man, as well as a physician. We should rely on his good-will and moral sense. Because the manufacturer uses a great deal more of alcohol than the druggist, it is not a reason why the latter should be called upon to pay a heavier tax.

It is not for me to devise the best form of taxation, but the Minister of Finance, who is thoroughly posted on that subject, should be able to settle that difficulty in such a way as to do justice to all parties. This change of rate is certainly a great injustice done to the retailer and as I said a moment ago, it is not the retailer who will pay the tax, but the consumer; it is the public who will be called upon to pay. We pay enough taxes without enacting any for the benefit of a special class. Before this resolution is adopted, I would ask the hon. Minister of Finance to devise some means of doing both parties justice.

Mr. DENIS: I notice that in the case of spirits manufactured in Canada a duty of $9 is imposed on every gallon of the strength of proof by Sykes' hydrometer, and that on spirits imported there is a duty of $10 a gallon according to the strength of proof. Is the gauge used to measure the alcohol which is manufactured in Canada different from that which is used to gauge the imported alcohol?

Sir HENRY DRAYTON: No the method is the same.

Mr. DENIS: I wish to place myself on record as being opposed, generally speaking, to the increase of duties on alcohol. Formerly the duty on alcohol was $2.40 a gallon. Last year it was raised to $4.40, and this year it has again been raised to $9 in the case of alcohol manufactured in Canada and $10 when it is imported. I have particu-

lar reference to the alcohol manufactured in Canada, and it seems to me that the imposition of such a heavy duty is based upon a wrong principle. It means that the people of this country will be penalized by being called upon to pay a stiff duty on using that commodity, if alcohol can be called a commodity. The true economic principle is to apply taxation as fairly as possible to everybody. In this case the Government chooses for taxation a particular class of people who are making use of alcohol, and penalizes them by the imposition of an extraordinary tax which nobody would have ever thought of a year or two ago. I am not speaking in defence of alcohol. I am not saying that it should be consumed, but my point is this: If the use of alcohol is to be allowed in this country then people should not be penalized to such an extent because they use it. On the other hand if alcohol is to be prohibited a different measure should be adopted other than the imposition of an exorbitant duty. We must bear in mind the fact that the use of alcohol is either good or bad. It is not very long ago I read an article in a scientific newspaper under the caption of "Is Alcohol food?" the article was being devoted to a discussion of a question of whether or not alcohol is a food. Some people are very strongly opposed to the use of alcohol but the Government permit its importation and therefore take a neutral stand—if I may so express it—on the question; they leave the matter entirely in the hands of the Provincial Governments. The Federal Government, not being opposed to the use of alcohol, should not impose on it such enormous duties; it is an absolutely false principle in economics. We all know that great quantities of alcohol have been imported within the past few weeks and distributed throughout Canada, including the province of Ontario. It was only a few days ago I read that 5,000 cases of alcohol were going into the city of Toronto every day. I would not go the length of offending the minister by suggesting that possibly there may have been a "leak", for I do not think the news was known a minute before it was announced in this House. The reason alcohol was imported in such great quantities by people in Ontario was no doubt by reason of the referendum last April, but in the meantime rich people in that province, to say nothing of people in other provinces, have had the opportunity of filling their cellars with cheap alcohol on which they paid a duty of only $5 per gallon. What I have said about the importation of alcohol is only incidental. The principle is wrong in so far as it imposes on a particular commodity or a particular beverage an enormous duty absolutely out of proportion to duties imposed on other beverages and commodities, and thereby strikes a particular class of the community very severely by forcing them to pay more money to the treasury than other classes who do not make use of those beverages or commodities.

Amendment agreed to.

The CHAIRMAN (Mr. Steele): Shall I report the resolution?

Mr. DENIS: Mr. Chairman, before the resolution is reported, I have been looking with a great deal of anxiety to the clock which I am now facing on the Government side, and which is marking at the present time 7.15.

Mr. BUREAU: In the morning.

Mr. DENIS: Perhaps the difference in time may be attributed to the fact that the clock is on the Government side of the House and the Government is behind the times. But I am not forgetting the fact that we left the House at six o'clock this morning, and therefore I respectfully suggest to the minister that after this resolution is passed we should adjourn.

Resolution reported, and concurred in.

Sir Henry Drayton moved for leave to introduce Bill No. 200 to amend the Inland Revenue Act.

Motion agreed to, and Bill read the first time.

WAYS AND MEANS—SPECIAL WAR REVENUE ACT

The House again in Committee of Ways and Means—to consider the following proposed resolution.—Sir Henry Drayton.—Mr. Boivin in the Chair.

Resolved, that it is expedient to amend The Special War Revenue Act, 1915, as amended by Chapter 71 of the Acts of 1920, by striking thereout sections 19BB and 19BBB, the several enumerations of goods respectively, and the several rates of excise taxes specified therein, and to provide that the following sections be substituted therefor:—

19BB. (1) The following excise taxes shall be imposed, levied and collected on the articles hereinafter specified, namely:—

(a) A tax on playing cards for every fifty-four cards or fraction of fifty-four in each package,—when selling at twenty-four dollars or less per gross packages, eight cents per pack; when selling in excess of twenty-four dollars per gross packages, fifteen cents per pack;

(2) The excise taxes as imposed by the preceding subsection one shall be payable at the time of importation or when taken out of warehouse for consumption in addition to the present duties of customs or at the time of sale by the Canadian manufacturer, but shall not apply on playing cards when exported, and shall be accounted for to His Majesty in accordance with such regulations as may be prescribed by the Minister of Customs and Inland Revenue.

(3) (a) A tax of thirty cents per gallon on wines of all kinds, except sparkling wines, containing not more than forty per cent of proof spirits;

(b) A tax of three dollars per gallon on champagne and all other sparkling wines.

(4) The excise taxes as imposed by the preceding subsection three shall be payable at the time of sale by the Canadian manufacturer, but shall not apply to such wines when exported, and shall be accounted for to His Majesty in accordance with such regulations as shall be prescribed by the Minister of Customs and Inland Revenue.

(5) Every person selling or dealing in the articles upon which taxes are imposed as prescribed by this section may be required by the Minister of Customs and Inland Revenue to take out an annual license therefor, for which license a fee not exceeding two dollars shall be paid and the penalty for neglect or refusal to obtain a license shall be a sum not exceeding one thousand dollars which shall be recoverable upon summary conviction.

2. Resolved, that any enactment founded on the preceding resolution shall be deemed to have come into force on the tenth day of May, nineteen hundred and twenty-one.

Mr. BUREAU: There should not be a tax of $3 a gallon on sparkling wines. In days of depression we want to use these wines—they give a boost to the whole country.

Sir HENRY DRAYTON: I would rather gather that my hon. friend already has his stock in. After all this is no higher than the rate of last year.

Mr. DENIS: These rates, if I understand correctly, are the same as last year?

Sir HENRY DRAYTON: I was referring to the point raised by the hon. member for Three Rivers. There has been a reduction in some items, for example, in the excise duty on cards.

Mr. DENIS: What about wines?

Sir HENRY DRAYTON: Wines stand as they were exactly.

Mr. BUREAU: Sparkling wines?

Mr. NESBITT: They are all imported anyway.

19BBB (1) That in addition to the present duties of customs and excise there shall be imposed, levied and collected an excise tax of one and one-half per cent on sales and deliveries by Canadian manufacturers or producers, and wholesalers or jobbers, and a tax of two and one-half per cent on the duty paid value of the goods imported, but in respect of sales by manufacturers to retailers or consumers the excise tax payable shall be three per cent and on goods imported by retailers or consumers the excise tax payable on the duty paid value shall be four per cent.

Provided that in respect of lumber an excise tax of three per cent shall be imposed, levied and collected on sales and deliveries by the Canadian manufacturer and further excise tax will not be payable on resale.

Provided also that the taxes specified in this section shall not apply to sales or importations of:—

Bread; flour and oatmeal when in packages weighing not less than forty-eight pounds each; animals living; live poultry; meats and poultry, fresh; milk including buttermilk; cream; butter; cheese; oleomargarine, margarine, butterine or other substitutes for butter; lard, lard compound and similar substances, made from animal or vegetable stearine or oils; eggs; vegetables, fruit, grains and seeds in their natural state; hay; straw; hops; nursery stock; chicory, raw or green; bees; honey; sugar; molasses; other farm produce sold by the individual farmer of his own production; ice; fish and products thereof not canned or medicated; ores of metals of all kinds; fuel of all kinds; gold and silver in ingots, blocks, bars, drops, sheets or plates unmanufactured; British and Canadian coin and foreign gold coin; logs and round unmanufactured timber; fence posts, railroad ties, pulpwood, tan bark, and other articles the product of the forest when produced and sold by the individual settler or farmer; newspapers and quarterly, monthly and semi-monthly magazines and weekly literary papers unbound; materials for use only in the construction, equipment and repair of ships; ships licensed to engage in the Canadian coasting trade; calcium carbide; electricity; gas manufactured from coal, calcium carbide; or oil for illuminating or heating purposes; materials for use solely in the manufacture of oleomargarine or any substitute for butter or lard or for the production of cottolene; artificial limbs and parts thereof; artificial eyes; donations of clothing and books for charitable purposes; settlers' effects; War Veterans' badges; memorials or monuments erected in memory of soldiers who fell in the Great War; articles imported for the use of the Governor General; articles imported for the personal or official use of Consuls General who are natives or citizens of the country they represent and who are not engaged in any other business or profession; Bibles, prayer-books, psalms and hymn-books, religious tracts, and Sunday school lesson pictures, and the Governor in Council shall have power to add to the foregoing list of articles exempted from the excise taxes on sales, as he may deem it expedient or necessary to exempt from the said excise taxes;

Provided further that the excise taxes specified in this section shall not be payable on goods exported, or on sales of goods made to the order of each individual customer by a business which sells exclusively by retail, under regulations by the Minister of Customs and Inland Revenue who shall be sole judge as to the classification of a business; and a drawback may be granted of ninety-nine per cent of the said taxes paid on materials used, wrought into or attached to articles exported.

(2) That the Minister may require every manufacturer, producers, wholesaler or jobber to take out an annual license for the purposes

aforesaid, and may prescribe a fee therefor, not exceeding two dollars, and the penalty for neglect or refusal shall be a sum of exceeding one thousand dollars.

(3) That any such tax, costs or penalties may, at the option of the Minister, be recovered and imposed in the Exchequer Court of Canada or in any other Court of competent jurisdiction, in the name of His Majesty,

(4) That the provisions of this resolution respecting a tax on sales shall be deemed to have come into force on the tenth day of May, nineteen hundred and twenty-one, and to have applied to all goods imported or taken out of warehouse for consumption on and after that day, and to have also applied to goods previously imported for which no entry for consumption was made before that day.

Mr. NESBITT: There are one or two matters to which I would like to draw attention in connection with this clause. Paragraph 1 provides for a 3 per cent tax on goods manufactured in this country. There is a belief in many quarters—and opposition to the idea—that this tax is to be absorbed in the price of the goods. I do not see in the resolution, however, any provision to that end. I have had several telegrams about the matter, and personally I think it would be a mistake to have the amount of the tax absorbed in the price of the goods. If the amount of the tax is shown on the invoice, one and one-half per cent by the manufacturer and one and one-half per cent by the wholesaler, everyone will know exactly what he is paying, but if the tax is absorbed in the price of the goods, more than the actual tax might be collected. I think, therefore, that the procedure should be as it was last year. Another thing: taking bran as an illustration, if a man in Calgary buys a carload of bran from one of the mills near that city, he pays a 3 per cent tax on a price, which, for the purpose of illustration, we will put at $16 a ton, or 48 cents. But if he buys in Montreal, at Montreal rates of freight the price would be $31.50 and he would pay something over 90 cents on the ton. I think that the price, therefore, should be charged as at the place of debarkation, because I understand it is the custom of many shippers of flour and feeds to prepay the freight and charge it to the customer. If what I suggest is not done, local millers in Ontario will be prejudiced, in my judgment. Then, it is provided that flour and oatmeal when in packages weighing not less than 48 pounds each shall be exempt. That means that flour and oatmeal in packages weighing less than 48 pounds each will have to pay the tax. Now, the great mass of the people buy flour, for instance, in what are called 25 and 50-pound sacks—really 24 and 48-pound sacks, being one-eighth and one-quarter of a barrel respectively. When we tax these smaller packages and exempt the others we are putting the tax on the man who buys in the smaller quantities. Take, for instance, the case of oatmeal in packages. It is true that oatmeal can be bought in bulk at nearly all grocery stores, but packages are supposed to be more cleanly, and in these days when people are so much frightened by germs and so on they prefer to buy their oatmeal in packages. Very often—not always, but very often—you go into a store and find the cat sleeping in the oatmeal barrel, if there is no lid on it. I only give that as a rough illustration to indicate why the people prefer to buy the oatmeal in packages. Nearly everybody uses oatmeal, and I suggest to the minister that these smaller packages containing oatmeal and flour be also exempt from the tax.

Sir HENRY DRAYTON: Perhaps I had better take the last point first. There are many different ways of trying to approach a very simple problem. For example, take that one problem of trying to make things cheap and trying to get people to buy cheaply. It is ridiculous how easy it is to twist anything which is said in that direction towards making something all the more expensive. Notwithstanding what has been said, the fact is that the exemptions under this sales tax cover all rough essential foods. The fact is that meats, milk, butter, bread are free; the essentials are absolutely looked after. There are some things which are bought, which cannot be eaten and which cost money. Take the question of boxed goods referred to by the hon. member for Peterborough West (Mr. Gordon) in his speech on the Budget. The idea in question with boxed goods was to discourage the purchase of food products in cartons when a very considerable portion of the cost is on account of the carton which cannot be eaten. As a matter of fact, to-day clean oatmeal is selling at 5, 6 and 7 cents a pound. A carton containing 22 ounces of oatmeal sells for 15 cents a carton, resulting in a charge of something like 12 cents a pound as against 5, 6 or 7 cents if the food content is bought without the carton. In larger cartons, the discrepancy is not as great. I think the standard carton, is 56 onces, or practically 3½ pounds, and it sells relatively, of course, at a lesser rate on contents than the smaller carton does. I think the provision as drafted originally was wrong in that it had a restriction of 48 pounds. I think this ought to be low

enough to cover the smallest sack or ordinary cheap container which is put up. My idea was to cover the smallest cheap container.

Another thing which has been entirely overlooked is in connection with the quantity of foodstuffs bought. This has been absolutely innocently, but nevertheless entirely misrepresented, because this tax is not a tax on the retailer whatever, and representations to the effect that the man's few pounds that he buys from the retailer are going to be taxed are absolutely beside the mark. He can buy in bulk, just as little as he wants, at any time without any tax at all. After having drawn attention to the fact that if you have things done up in cartons, you must pay for your cartons; that at the present moment standard oatmeal, just as good as that which is put up in cartons, can be bought at prices ranging from 5, 6 and 7 cents a pound, while some of the manufactured products are sold in cartons in this city at as high as 12 cents a pound, and in view of the fact that millers are turning out smaller sacks, I am inclined to think that, perhaps, the best thing to do is to amend entirely this present proposition. The amendment which, I think, would give full justice to the considerations urged by the hon. member for Oxford North (Mr. Nesbitt) would be to strike out the words after the word "oatmeal" on line 9 of page 8, "when in packages weighing not less than 48 pounds each," and to insert the words, "including rolled oats." I find that rolled oats are not covered by the definition of oatmeal, but, as a matter of fact, the food is practically the same; there is merely a difference in a primary process.

Mr. GORDON: Do I understand the minister to say that that covers all package breakfast foods.

Sir HENRY DRAYTON: No.

Mr. GORDON: Oatmeal and rolled oats?

Sir HENRY DRAYTON: Yes. It does not cover anything which is a trade patent formula.

Mr. GORDON: Like puffed rice, puffed wheat.

Sir HENRY DRAYTON: It covers merely the rough essentials.

Mr. GORDON: The custom throughout the country has been that families reduce their buying of rolled oats and oatmeal in the hot months of summer. For probably six months in the year the sale of rolled oats and oatmeal to the ordinary family is nil and these other foods are used because of the heating qualities of oatmeal and rolled oats. Therefore, there is a tremendous trade in this other class of foods and that is being taxed, although it is just as essential for the people to buy and use that as to buy oatmeal and rolled oats in the winter time. I would urge very strongly that these package foods be included too, because, although they may be patented foods, they constitute one of the most essential elements in the pantry of the family. In addition to that they are used for morning meal, noon meal, food for children, and evening meal. They are foods that are used very largely throughout Ontario and, indeed, throughout the whole of Canada.

11 p.m.

Mr. ROBB: It is getting rather late, and as this resolution is somewhat contentious, perhaps the minister would consent to letting it stand and reporting progress. It involves a very wide measure of taxation upon the food of the people, notwithstanding the statement of the minister that foodstuffs are free. I would like to enlarge somewhat upon that point, and I think I could convince the minister that he is taxing the food of the people, also that he is retarding, if not destroying, construction and development throughout this country.

The minister made the statement a few moments ago that this tax was imposed with a view to discouraging people from buying things which they should not buy

Sir HENRY DRAYTON: I have suggested that that should be dropped. Does the hon. gentleman desire to retain it?

Mr. ROBB: Last year the minister took the view that he could curb extravagance in this country by imposing luxury taxes, but he found that those taxes practically destroyed business, and on the eve of the Christmas holidays, in an attempt to restore business, he was compelled to wipe out those taxes. All through this resolution there is a tax on the food of the people, an unfair tax. Take the tax on lumber and on material that goes into the construction of a house or barn. I am told by a responsible contractor that on a $5,000 house, which is not an extravagant average price, the materials going into that house represent $3,500. The minister proposes to put a tax of $105 against that house; there is no question about that. The minister puts a tax of $105 against

the building of a house at a time when every one is calling for more houses in this country. The same is true with regard to the building of barns throughout the country. I am told by the same contractor that the average cost of the material going into a modern barn would be 80 per cent of a $2,000 building. The minister proposes to put a tax on that $1,600 worth of materials of $48. He is hampering production to that extent.

Coming to foodstuffs, which the minister claims are free, the minister is providing here that the ingredients required for the manufacture of oleomargarine are exempt from taxation. Having adopted that principle, why should he hamper the agricultural industry of this country by putting a tax on all the materials required for the production of butter, cheese and meats—the food of the people? There is to be a tax on mill stuffs which are required by the farmers for the production of milk and butter. Here, again, the minister is taxing production of the foodstuffs of the people. If our farmers are to compete with the farmers of the United States —hon. gentlemen opposite are very much alarmed occasionally, in Budget debates, over the competition of the United States —they should be put upon an equal basis. There is no tax whatever on any kind of mill feed that the farmer of the United States requires, and to that extent the farmer of the United States will be able to feed his stock more cheaply than the Canadian farmer.

The minister says that flour is free. But he is taxing the container; he is putting a tax on the bags and barrels required by the mills of this country, and to that extent he is discriminating against the Canadian farmer as compared with the farmer of the United States. The minister may say that there is a refund on the export business, but I say that all this puts us on an unfair basis as compared with our neighbours to the south with whom we have such close competition. The minister may also ask: Ho welse are you going to raise the revenue? We upon this side of the House contend that we would start at the other end: We would reduce expenditure. For all the revenue the minister is going to get out of this tax, he may as well wipe it out altogether. That would at least do something to help popularize the Government of which he is an honoured and a very genial supporter.

I shall not detain the committee any longer, but I think the minister might do well to sleep over these suggestions, and come along at the next sitting of the House and make a clean sheet of it.

Sir HENRY DRAYTON: It was the understanding, to which I was going to give the fullest effect, that we should adjourn at 11 o'clock. I am quite willing to move that the committee rise.

Mr. FIELDING: I would first draw my hon. friend's attention to another item which he can take into consideration in the meantime. It is an item over which I have had considerable trouble with the department more than once. The minister is providing exemption for materials for the repair of ships generally and for ships licensed to engage in the Canadian coasting trade. A question has arisen respecting the smaller class of craft, practically fishing boats and boats of that type. There has been some confusion in the various custom offices in the country as to just what was meant. I think it is intended to mean fishing boats and small boats of that character. Moreover, I think that the manufacturer of that class of boats ought not to be compelled to take out a license. That, I believe, is the view of the department, but there has been some confusion, and I would suggest that when the hon. gentleman is framing this clause again he leaves no room for discussion hereafter on this subject.

Mr. PROULX: I see that butter and eggs are exempt from the sales tax, but not milk powder, condensed milk, and ice cream. These latter were exempt last year.

Sir HENRY DRAYTON: So were many other things that are now being taxed.

Mr. PROULX: I submit that these are articles of food and should be treated the same as butter and cheese.

Sir HENRY DRAYTON: I never said that all foods are exempt. They are not.

Progress reported.

On motion of Sir Henry Drayton the House adjourned at 11.20 p.m.

Saturday, May 21, 1921.

The House met at Three o'clock.

BUSINESS OF THE HOUSE

Right Hon. ARTHUR MEIGHEN (Prime Minister) moved:

That on and after Monday the 23rd instant, until the end of the present session, the House meet at Two o'clock in the afternoon of each day.

Motion agreed to.

VICTORIA DAY

Right Hon. ARTHUR MEIGHEN (Prime Minister) moved:

That when this House adjourns on Monday, the 23rd instant, it do stand adjourned until Wednesday, the 25th instant.

Motion agreed to.

GRAND TRUNK ARBITRATION

Right Hon. ARTHUR MEIGHEN (Prime Minister): I beg to lay on the table of the House the subsequent correspondence between the Government and the Grand Trunk Railway Company relating to the arbitration and to the Bill passed by this House to provide for the revival of the arbitration proceedings. The correspondence includes a copy of the agreement as despatched overseas for execution, and as well copies of subsequent cables suggesting amendments to the agreement, and consequently it discloses the agreement as actually signed.

PENITENTIARIES ACT AMENDMENT

Right Hon. C. J. DOHERTY (Minister of Justice) moved for leave to introduce Bill No. 201, to amend the Penitentiaries Act. He said:

The principal clauses of the Bill and the principal purpose sought to be attained by it are to make provision to enable the carrying on, on a larger scale, of industrial work in penitentiaries. There are other provisions of a less important nature, and I might, perhaps, just mention them before I take up the most important ones. There are quite a number of provisions repealing sections of the existing Act because, in view of legislation in regard to classification under the Civil Service Act, they serve practically no purpose. There is a provision extending the definition of a penitentiary so as to make it include a hospital in which a convict may be detained. There is provision made for enabling the minister to constitute an advisory board composed of officials to advise with him concerning the administration of penitentiaries. There is a provision making more clear the definition of the duties of a warden. There is a provision dealing with fines that may be imposed by the warden, and with his power of suspension. There is a disposition with regard to uniforms to be supplied to officers and purchases which it is permissible fo rthem to make of articles manufactured in the penitentiaries. Then there are other provisions which are dealt with because, as a matter of fact, by the effect of subsequent legislation and the practice of carrying on penitentiaries, they have become practically obsolete. They were provisions which looked to treating each penitentiary as a separate organization by itself under the executive control of the warden, giving him control of purchases and so forth. The effect of subsequent legislation has been that these sections have fallen into disuse, and they are simply repealed.

There is a provision with regard to visitors, making more clear the present provision. I do not think it substantially modifies the present provision. There is a provision to enact that when a man is sentenced to a penitentiary, he shall be sentenced to such penitentiary as the minister shall from time to time designate. Under the present section, the court is required to sentence him to the penitentiary of the province, but there is power in the minister to transfer him to any other penitentiary. As we have recently done away with one of the penitentiaries, a provision assuming that there is a penitentiary in each province becomes inapplicable, and, in fact, it was not strictly applicable even in the past. There is a provision requiring that the judge or judicial officer who pronounces sentence shall prepare a schedule giving information and details elicited from the convict himself as to his past and so forth. This, it is considered, will be useful information to those taking charge of the convict. There is a provision enabling the minister, who now has to sign every order for transfer from one penitentiary to another, to authorize an officer to do that instead. There are provisions, which, I think, may be described as making more clear and more effective the present provisions with regard to the manner of dealing with insane convicts. I do not think there is any substantial modification. Likewise, there is a provision as to dealing with convicts suffering from infectious or contagious diseases, which provision also makes more clear existing legislation. There is a provision dealing with the detention of female convicts, making it possible, which will seem to be very desirable, if it be found practicable, to provide an absolutely separate institution for them. There are provisions making more clear the existing disposition as regards the remission of part time of sentences for good conduct on the part of the convicts. There is also a provision requiring that the convicts shall be furnished with a copy of

the regulations so that they may know what laws they are living under.

Then we come to the provisions to which I have referred. In substance, it is enacted that the different departments of Government shall, where that is practically possible, procure from the penitentiaries such things as they require and which can be produced in the penitentiary. There are dispositions following on that, providing for the details as to how the penitentiaries shall be compensated for the goods so furnished. It is not intended that there shall be an actual payment of money from one department to the other, but there are different provisions establishing a method of determining what sum of money as a whole should be allotted to the penitentiaries administration as compensation for the work so done. Then there are provisions for the allotment as between the convicts out of this money of what may be found available in the way of remuneration for their labour, after taking into consideration the cost of maintenance of the penitentiaries, and so forth.

There is a provision making more severe the penalties to which officers are subjected for the offence of trafficking with convicts, and regulating the question of the burden of proof when an officer is charged with being in possession of or dealing with articles with which he is forbidden to deal under the law or the regulations of the penitentiary.

There is a section providing for and adding to what is required presently to be given to a convict upon his discharge from the penitentiary, principally in the way of clothing, and to some extent in the way of an allowance of money. That covers the dispositions of the Bill.

Mr. JACQUES BUREAU (Three Rivers and St. Maurice): With the consent of the House I would like to ask a question, and make a suggestion to the right hon. Minister of Justice (Mr. Doherty). The question I desire to ask is whether the Bill now presented to the House is based on the reports made by the Commissioners who were appointed to investigate the penitentiaries. My hon. friend nods assent. I have read over that report, and I notice that it suggests certain amendments which are quite radical changes in the existing law. I would suggest to my right hon. friend the Prime Minister that unless we are going to fix a date in June to discuss this Bill, together with the Bill amending the Criminal Code, we might better discuss it next session. The Bill might be printed, so that hon. members could familiarize themselves with it. It is a long and important Bill, and as we are trying to get away by next Saturday I do not think it is fair that we should be called upon to make a study of this important matter at this time.

Mr. DOHERTY: When the Bill is printed and distributed I think it will be found that it does not involve anything so drastic as the hon. gentleman seems to apprehend.

Mr. BUREAU: I did not say drastic; I said radical. There is quite a difference.

Mr. DOHERTY: I might perhaps point out that the intention is to make it possible to carry out the recommendations that are made, but I do not think that there is anything that makes it imperative that they should be carried out. However, the Bill will be printed, and I shall be glad to confer with the hon. member and other hon. gentlemen. Certainly I do not want to press any legislation through without proper opportunity for its consideration. On the other hand, there are some improvements which are perhaps of a pressing nature, and possibly they might be dealt with.

Motion agreed to, and Bill read the first time.

SENATE BILLS

FIRST READINGS

Bill No. 187, to repeal The Conservation Act and Amendments.—The Prime Minister.

Bill No. 189, respecting The Great West Bank of Canada.—Mr. Cowan.

FIRST AND SECOND READINGS

Bill No. 190, for the relief of Frederick Orford.—Mr. Mowat.

Bill No. 191, for the relief of John Deluce.—Mr. Fripp.

Bill No. 192, for the relief of John Samuel Bain.—Mr. Best.

Bill No. 193, for the relief of Addie Irene Gilbert.—Mr. Mowat.

Bill No. 194, for the relief of Ethel Edna Denning.—Mr. Fripp.

Bill No. 195, for the relief of Audrey Cleeve Bennett Gibbons.—Mr. Fripp.

Bill No. 196, for the relief of Laura Newson.—Mr. Sheard.

Bill No. 197, for the relief of Tom Eccles.—Mr. Sheard.

Bill No. 198, for the relief of John Chalk.—Mr. Sheard.

PRIVILEGE—Mr. TURGEON

On the Orders of the Day:

Mr. ONESIPHORE TURGEON (Gloucester): I rise to a question of privilege. In the correspondence that the right hon. the Prime Minister read yesterday from a Conservative friend in St. John with reference to the Hon. Mr. Veniot, Minister of Public Works in the New Brunswick Cabinet, a reference is made to me which I cannot allow to pass unnoticed. In his letter he says:

> Of course Mr. Veniot would have a portfolio in Cabinet. To make an opening for him Mr. Turgeon would have to be provided for and Mr. Veniot for the time being, at least, represent Gloucester.

Let me say that Mr. Turgeon is well provided for by the electors of Gloucester county, and wants nobody else to provide for him. The writer in question, I am sure, was not acquainted with the mentality of the people of Gloucester when he wrote that letter. Possibly he has been better informed since.

GRAND TRUNK SHAREHOLDERS

On the Orders of the Day:

Mr. JOSEPH ARCHAMBAULT (Chambly and Verchères): I beg to draw the attention of the Prime Minister (Mr. Meighen) to a statement made in the House yesterday in reference to the list of Grand Trunk shareholders. My right hon. friend yesterday stated, as reported at page 3804 of Hansard:

> This list has been required in connection with the Grand Trunk Arbitration proceedings, and had to be sent twice to Montreal. It is in the department at present and is available.

I would ask my right hon. friend at what date this list was received, for what purpose it was required in Montreal in connection with the Grand Trunk Arbitration proceedings, and also what was the undoubtedly enormous cost which the Government had to pay to procure that list.

Right Hon. ARTHUR MEIGHEN (Prime Minister): What I stated to the House yesterday was based on a memo. supplied me by the Department of Railways and Canals. I find I have not that memo. in my desk at the moment, but I do not think it gave the date of arrival of the packing box containing the names, nor did it say what use was made of the material by the Arbitration Tribunal; it simply said it had been necessary. It did not say, either, what the cost was, but I do not think it is hard to divine that the cost would be very high indeed. Whether paid by the Government or by the Grand Trunk, it will ultimately be paid by the country. I will endeavour to find out what the uses of the list were, when it was received, and, if I can, what the cost was, but I do not know whether that will be in the possession of the department or not.

Mr. ARCHAMBAULT: I ask the date for the reason that my right hon. friend, when he answered me two days ago, said he was not aware that the list had arrived, and yesterday he informed the House that it had gone to Montreal in connection with the Grand Trunk arbitration proceedings which took place a month ago.

Mr. MEIGHEN: I did not know it had arrived until I got this memorandum from the Department of Railways and Canals.

SUPPLEMENTARY EXTRADITION CONVENTION ACT

On the Orders of the Day:

Hon. W. S. FIELDING (Shelburne and Queen's): May I call the attention of the Minister of Justice (Mr. Doherty), to Order No. 38 with respect to the Supplementary Extradition Convention Treaty with the United States of America? Is there any correspondence on this subject and will the right hon. minister be good enough to bring it down before the measure is proceeded with?

Right Hon. C. J. DOHERTY (Minister of Justice): I believe some correspondence has been exchanged with the persons who are interested in the Treaty, and I shall be glad to bring it down.

Mr. FIELDING: That is, correspondence in connection with any action taken by the Government in reference to the matter.

Mr. DOHERTY: I will look into the matter. Perhaps I might say now that in view of the report of the proceedings of the Senate laid on the table to-day, it will be necessary for us to drop the proposed Bill for the present. It appeared by the report, when we received it, that the message from the Embassy in Washington was erroneous in that it informed us that the Senate had ratified the Treaty, whereas we find, from the documents that have come to hand, that their ratification was subject to an amendment which very substantially modifies the convention. Of course, that amendment would have to be agreed to by the other contracting party before there could be a treaty which would

be susceptible of ratification, and I therefore propose, when the Order is called, to ask leave to withdraw the Bill.

Mr. FIELDING: If the Bill is not to be proceeded with, I will not, of course, trouble my right hon. friend for the present to submit any correspondence. The matter will come up at a later stage, and when it does it will be time enough to ask for the correspondence.

GRAND TRUNK DIRECTORS

On the Orders of the Day:

Mr. FRANK S. CAHILL (Pontiac): I notice in this morning's Journal a report to the effect that Sir Joseph Flavelle, Edward G. Kelley, A. J. Mitchell, E. L. Newcombe and J. N. Dupuis have been appointed by the Government as Grand Trunk directors. If that report is correct, for what period have these directors been appointed?

Right Hon. ARTHUR MEIGHEN (Prime Minister): The gentlemen named by my hon. friend—I do not catch all the names, but I think the list is correct—have not been appointed by the Government, because we have not the power of appointment. To make up the required number, they have been nominated by the Government for appointment by the directors themselves upon the resignation of individual directors, which resignations are called for by the Order in Council making the nominations. The Order in Council further provides, in accordance with the Bill and the agreement, that when one retires after the other, until five have retired, and these five nominated by us have been appointed, the remaining directors shall resign. Whether the appointemnts have yet taken place, I am not certain, but the Order was cabled over the day it was passed, and I would presume that if the appointments have not taken place yet. they will very shortly. Under the statute, it was necessary that the directors be nominated by the Government, and these gentlemen are the directors so nominated. They are merely in charge until the calling into effect of the Canadian National Railway Act, upon which it is intended that the Grand Trunk shall be placed under that directorate. That is expected to take place shortly. The new directorate will take charge, and unless there is some reason to the contrary, almost immediately afterwards it is the intention to call the Act into effect.

SUPPLEMENTARY ESTIMATES TO BE BROUGHT DOWN

On the Orders of the Day:

Hon. W. L. MACKENZIE KING (leader of the Opposition): In view of the fact that one of the ministers has stated that the Government expects an early prorogation, I should be glad to know when we may expect the Supplementary Estimates to be brought down?

Sir HENRY DRAYTON (Minister of Finance): They do not think the House will sit on Tuesday, but I hope to be able to bring them down on Wednesday.

SUPPLEMENTARY EXTRADITION CONVENTION ACT

On the Order for the second reading of Bill No. 158, respecting a Supplementary Extradition Convention with the United States of America.

Right Hon. C. J. DOHERTY (Minister of Justice): I beg to move, for the reasons which I have already stated in answer to a question by my hon. friend for Queen's and Sunbury—

Mr. FIELDING: Shelburne and Queen's; the member for Sunbury will be here shortly.

Mr. DOHERTY: Shelburne and Queen's, I should say. For reasons I have already given, I move that the Order be discharged.

Motion agreed to.

WAYS AND MEANS

SPECIAL WAR REVENUE ACT AMENDMENT

The House in Committee of Ways and Means, Mr. Boivin in the Chair.

The CHAIRMAN: When the committee rose last evening we were considering the last of the resolutions which will be found as an appendix to the Votes and Proceedings of Monday, May 9. The first, second and third of these resolutions. to amend the Special War Revenue Act, had been adopted, and the Committee was considering resolution No. 19 bbb, which had been amended by inserting the words "including rolled oats," in the ninth line on the second page, and striking out the words "when in packages weighing not less than 48 pounds each". Shall this resolution as amended, carry?

Sir HENRY DRAYTON: I intimated last night that there were some amendments

proposed to be made in the resolution and we dealt last night with one of them in connection with oatmeal in packages. The formal resolution which I desire to have adopted on that point is that the words "and oatmeal when in packages weighing not less than forty-eight pounds each" on lines 9 and 10 on page 8 of the resolutions be struck out and the following substituted therefor "oatmeal, rolled oats and cornmeal." Then there is a further change in order to remove a doubt—a doubt which arose in the discussion yesterday—having regard to the duties on spirits, as to whether or not the provinces who bought for the purposes of resale would or would not be liable to taxation. I desire to move a further resolution so as to remove all doubt in that connection. I move that the following words be added on the fifth line of page 8 of the resolution, after the word "consumers":

—including sales to His Majesty, whether in the right of His Majesty's Government of Canada or His Majesty's Government of any province of Canada, for the purposes of resale.

I also move that, in the sixth line of the same page, the following words be added after the word "consumers":

—including importations by His Majesty, whether in the right of His Majesty's Government of Canada or His Majesty's Government of any province, for the purposes of resale.

Mr. FIELDING: Will the minister kindly read the clause in its amended form?

Sir HENRY DRAYTON: The clause in its amended form will read as follows:

That in addition to the present duties of customs and excise there shall be imposed, levied and collected an excise tax of one and one-half per cent on sales and deliveries by Canadian manufacturers or producers, and wholesalers or jobbers, and a tax of two and one-half per cent on the duty paid value of the goods imported, but in respect of sales by manufacturers to retailers or consumers—

Now the addition comes in there—

—including sales to His Majesty, whether in the right of His Majesty's Government of Canada or His Majesty's Government of any province of Canada, for the purposes of resale, the excise tax payable shall be three per cent and on goods imported by retailers or consumers, including importations by His Majesty whether in the right of His Majesty's Government of Canada or His Majesty's Government of any province of Canada, for the purposes of resale, the excise tax payable on the duty paid value shall be four per cent.

The whole effect is to add to the operations of the Crown the tax which is put upon the general public. It follows the principle established by the Customs Amendment Act of 1917 and the language of that Act.

The CHAIRMAN: Shall the amendment carry?

Mr. ROBB: Before the amendment carries I would like to ask if the minister has any statement to make in regard to what I pointed out to him last night.

Sir HENRY DRAYTON: If my hon. friend will allow me I will have great pleasure in dealing with that matter when we come to it, I have not overlooked anything.

Mr. FIELDING: The effect of the minister's proposition is to levy a tax upon the purchases of either the Dominion or the provinces. In the case of a tax by the Dominion it is simply a case of the money going from one pocket to the other. In the case of the provinces, however, it is either a tax upon the seller or the buyer. I do not think there has ever been any question—in practice at any rate whether there is in law—of the right of the Dominion Government to impose taxation on articles imported by the provinces. I know of cases that came up in my own province where the province has had to pay the tax. I believe there is some question now as to its legality, but in practice there has never been any hesitation on the part of the Dominion to collect taxes on goods imported by the provinces.

Mr. VIEN: Is there not a case in British Columbia at the present time in which this question is in dispute?

Sir HENRY DRAYTON: Not that I know of. From what I see in the papers, however, I believe the Attorney General of British Columbia has challenged our right to collect the increased spirit taxes from that province and the Government received a wire from him asking whether it was our intention to collect. We have so advised him.

Amendment agreed to.

Sir HENRY DRAYTON:: If hon. gentlemen will look at the next paragraph, which deals with lumber, they will see that it is only the manufacturers' sale of lumber which carries a tax, and that there is no tax in respect of sale by the wholesaler, An amendment is proposed in that connection to make it perfectly clear that not only shall there be only one tax in the case

of domestic lumber, but that there shall also be only one tax in connection with imported lumber, which was my intention. I am therefore making a change in the basic rate. Hon. gentlemen will see that the resolution reads:

Provided that in respect of lumber an excise tax of three per cent shall be imposed, levied—

And so on. The motion is:

That the word "two" be substituted for the word "three" in the first line of the sub-provision.

Mr. FIELDING: Reducing the rate.

Sir HENRY DRAYTON: Reducing the rate to two per cent. And then the further addition:—

Mr. GAUVREAU: Before the minister proceeds, may I bring to his attention a special case?

Sir HENRY DRAYTON: I think perhaps what I am about to read will meet the hon. gentleman's case. I will be very pleased to discuss it after he has heard this motion. Then I propose this further addition:

That after the word "manufacturer" in the second line of that sub-provision, the following words be added: "and of three per cent on importation."

The sub-provision will then be in this form:

Provided that in respect of lumber an excise tax of two per cent shall be imposed, levied and collected on sales and deliveries by the Canadian manufacturer and of three per cent on importations, and that no further excise tax shall be payable on resale.

Mr. COPP: What change is there from last year?

Sir HENRY DRAYTON: There were two taxes collected on lumber last year; it is now reduced to one tax.

Mr. GAUVREAU: I should like to bring to the attention of the minister a special case. It is the spirit of the law that the tax applies where a farmer brings his logs to the local saw-mill to be sawn into boards or any other form for his own use? I was told first that the tax could not be applied because there was no manufacture, and I gave that information to the newspapers so that all the farmers in my riding might be advised. Four months later I received a letter that the department had changed their mind, and then I had to advise my constituents that they would have to pay the tax.

Sir HENRY DRAYTON: The basis is somewhat changed this year. We are taxing entirely on sales. In the case my hon. friend refers to there was no sale, and therefore there would be no tax under the new law.

Mr. GAUVREAU: Do I understand the minister to say that whenever a farmer brings his logs to the mill to be sawn into boards, planks or any other form for his own use there is no tax?

Sir HENRY DRAYTON: That is custom sawing, and there is no sale involved.

Mr. TURGEON: My hon. friend will remember the objection I made to the excise tax on lumber in the course of my speech on the Budget. I presented to the House at the time the difficulty of selling lumber on account of its high price, due in part to the increased freight rates, and that consequently this discouraged building and raised rents in the cities. My opinion has been strengthened by advices I have received from different parts of the country. Therefore I move, Mr. Chairman, that all of this clause referring to the excise duty on lumber be struck out.

Sir HENRY DRAYTON: This is an exception in favour of lumber, and the effect of my hon. friend's motion would be to raise the tax to three per cent instead of two per cent, which I am sure is not what he desires. We are not increasing the tax in this instance over what it was last year.

Mr. TURGEON: It is increased by one and a-half per cent.

Sir HENRY DRAYTON: Excuse me, we are cutting it down to two per cent.

Mr. PEDLOW: What are the special reasons for exempting the products of the forest under this clause?

Sir HENRY DRAYTON: That was done for the same reason that we have made other general exemptions. The primary activities of the farms, the mines, the forests and the fisheries are absolutely exempted.

Mr. PEDLOW: This, then, is for the benefit more particularly of the lumber interests. I was under the impression that they were in a class by themselves and well able to take care of a tax proposition of this kind; I was not aware that they were exactly in the same class as the fishermen, the farmers and the miners. I fail to apprehend why special consideration should be given to lumber-

men. They are considered wealthy people and, I should think, well able to bear an imposition of this kind.

Mr. NESBITT: They are not all wealthy by any means.

Mr. SIMPSON: Would not the tax bear pretty heavily on settlers who get out their own pulpwood? That is the only means some of them have of making a livelihood in the winter time, and the tax as suggested by my hon. friend would, I think, bear pretty heavily on them.

Sir HENRY DRAYTON: In answer to the hon. gentleman I can very well understand his not having got the whole of this long resolution thoroughly digested. I know I have great difficulty myself in recollecting the whole of it. But I should like to point out to him that this provision only helps the primary activity; it does not help the operations of the large lumber companies, except to the extent that we are not increasing the rate on lumber by not putting the extra one-half per cent on each transaction; to that extent it may be said we are doing something for the lumber companies; but, on the other hand, there is a great deal to be said in connection with the high cost of lumber and its effect upon building operations. What are exempted are the farmers and settlers' activities, the logs they get out, round and unmanufactured timber, fence posts, railway ties, pulpwood, tan bark and other articles—the products of the forests when produced and sold by the individual settler or farmer. What we are doing, is, as I say, making all the activities of the farmer, so far as he is directly concerned, free of tax.

Mr. PEDLOW: Then, Mr. Chairman, no ruling of the department would exempt operations by large lumbermen. That being the case, the point raised by the hon. member (Mr. Simpson) a few minutes ago regarding the taking out of pulpwood by the individual settler would be covered by this sub-provision, but it would not apply to operations by large lumber concerns?

Mr. CALDWELL: Would this include hewn timber got out by the new settler? I have in mind unmanufactured timber—squared timber.

Sir HENRY DRAYTON: The qualification "unmanufactured" refers to activities of those other than farmers. Any one of the big companies to which the hon. member for Renfrew was referring could get out their logs in the first instance without paying on them; they would pay on their lumber, not on their logs. So far as the farmer is concerned all products of the forests that he produces are free.

Mr. GAUVREAU: Will the minister explain circular No. 75C which was sent to me the other day? I was plainly told that the farmers would have to pay a tax on the amount charged for the sawing of their logs in the mill.

Sir HENRY DRAYTON: That, of course, is under the old law. This new law will supersede it.

Mr. GAUVREAU: Then circular No. 75C will be got rid of?

Sir HENRY DRAYTON: All the old circulars will go.

Mr. ROBB: Will this tax be imposed on the price f.o.b. mill or on the price at the point of delivery?

Sir HENRY DRAYTON: The tax is on the consideration of the sale, whatever that may be.

Amendment agreed to.

Sir HENRY DRAYTON: I wish to move a further amendment: that in the proviso which deals with exemptions, in the 8th line after the word "state," there be added the following words:

bran, shorts, oil cake, oil cake meal, grains mixed or crushed for poultry feed.

Mr. ROBB: The minister has not included cattle feed. I would point out that more grain mixed and crushed is sold for cattle feed than is sold for poultry feed. According to the amendment, the exemption would apply only to grains mixed or crushed for poultry feed.

Sir HENRY DRAYTON: I thought I had made it clear; my intention is to do just what the hon. gentleman has in mind. If there is any doubt about it, the words "cattle or" may be added before the words "poultry feed."

The CHAIRMAN: "Grains mixed or crushed for cattle or poultry feed".

Mr. KENNEDY (Glengarry): If it is the intention to include all feeds that are sold as cattle feed, I would point out that the minister is discriminating against certain kinds of feed that are made in this country—gluten feed, for instance, distillers' grain and brewers' grain. These are all sold quite extensively for cattle feed,

I do not rise to offer any particular objection, but there is an evident discrimination here.

Sir HENRY DRAYTON: I am afraid we cannot go further; we have gone as far as possible to look after the real essentials. We are not thinking of patent feeds or manufacturers' names, or anything of that kind. I will not say for a moment that it is possible to provide for every single contingency that might arise in connection with this taxation—it cannot be done.

It may be that in this discussion something else may be found which properly, economically ought to be exempt, and power is reserved to the Governor in Council to make further and other exemptions should occasion require that.

Mr. KENNEDY (Glengarry): I am quite willing that the minister should get after those compounds to which he refers as patent foods; but gluten meal is a by-product of the starch factories; it is in the same class as oil cake or oil cake meal.

Mr. FIELDING: Has the minister been able to give any attention to the point that I raised, whether he should not include in the list of exemptions the manufacture of small boats, coastal or fishing boats.

Sir HENRY DRAYTON: That is a matter that I am entirely in sympathy with, but it is a little difficult to work it out. I gave instructions for a resolution to be drawn. I have not been able to get the proper, definite information which will enable us clearly to carry out what the hon. gentleman desires to have done. It is a matter which will be taken care of at the first possible minute by Order in Council.

Mr. FIELDING: If I have the word of the minister that sales of these boats will be exempt and that the manufacturer of these boats is not to be taxed, or required to take out a license, I am satisfied. I notice that I am reported in Hansard as saying that on that subject I have had trouble with the department. That is hardly correct. I have had no trouble with the department. I have had to trouble the department occasionally with cases of this kind, but in every case I have received every attention and courtesy from the department, and I was not intending to complain of it.

Mr. DUFF: I intended to speak of the point brought up by the hon. member for Shelburne and Queen's (Mr. Fielding) regarding fishing boats, and also the section of the clause which reads:

> Ships licensed to engage in the Canadian coastal trade.

It seems to me that it would be only right and proper that, not only ships engaged in coastal trade, but ships engaged in fishing, should be exempted. The easiest way to get over the difficulty with regard to both fishing vessels and coastal boats would be to make that part of the clause read:

> Ships and boats engaged in the Canadian coastal and fishing trade.

The minister will see in a moment that it is more important to have fishing vessels exempted than even coastal vessels. As regards the previous phrase:

> Materials for use only in the construction, equipment and repair of ships.

I would suggest that in order to include the fishing industry, which is one of the basic industries of the country, that might very well read:

> Materials for use only in the construction, equipment and repair of ships and fishing boats.

In justice to this great industry and to encourage it, fishing boats should be included in the list of exemptions.

Sir HENRY DRAYTON: We will certainly go very carefully into the matter with a view of defining it.

Mr. FIELDING: A fishing vessel, I imagine, would be held to be a coastal vessel.

Mr. DUFF: No.

Mr. FIELDING: A vessel when she is not catching fish is apt to carry a cargo along the coast. I quite agree, however, with the hon. member for Lunenburg (Mr. Duff) that if there is any doubt about the matter, it is well to have it defined.

Mr. ARMSTRONG (Lambton): What action has the minister taken regarding this paragraph:

> Materials for use solely in the manufacture of oleomargarine or any substitute for butter or lard or for the production of cottolene.

The minister must be well aware that the price of butter in Canada to-day is down to the pre-war rate and even below it. If you are to allow to enter Canada all kinds of material for the manufacture of these articles, then to allow the manufacturers to take the butter produced by the farmer and mix it with their different materials, and then allow the product to go

on sale in opposition to the sale of butter, I cannot help thinking that, to say the least, you are interfering with the dairy market. Has the minister seriously considered the question of placing a duty on materials that are coming into Canada for the manufacture of butter substitutes?

The CHAIRMAN: Had we not better adopt the amendment before we discuss the question of oleomargarine?

Mr. ROBB: Before the amendment is adopted, I would like to point out to the minister that I am ready to support him in this, that I think it is good legislation to exempt the cattle feeds that he has enumerated; but if he exempts cottonseed and oil cake meal, there is no reason why he should not exempt gluten meal, which is also used on the farm.

Sir HENRY DRAYTON: We have taken power to give further exemptions, and that matter will be carefully looked into.

Mr. THOMSON (Qu'Appelle): It is difficult to find out just what is intended by amendments which we have never seen and which we merely hear discussed back and forth. I understand the minister is including in exemptions, brans, shorts and certain crushed feed. I caught the expression "mixed grain."

Sir HENRY DRAYTON: Crushed grains.

Mr. THOMSON (Qu'Appelle): Crushed grains of any kind. Grain unmixed with crushed grain would be exempt.

Sir HENRY DRAYTON: All grains were exempt. The term "crushed grains" was put in just to make the matter absolutely sure.

Mr. NESBITT: With reference to cottonseed meal and oil cake, I think they come under the same head as gluten meal, but I think they all ought to pay the sales tax and not be exempted. They are after all manufactured goods. Bran and shorts are by-products.

Amendment agreed to.

Mr. HAROLD: While we are on the discussion of additions to this list of goods to be exempted from this tax, I should like to bring before the committee, for the consideration of the Minister of Finance, a question that was brought up last year, namely the exemption of fibre for us only in the manufacture of binder twine. We discussed that very fully last year, and it was put on the free list. I think, through a misunderstanding, it was left off this year, and the way in which the matter works out under the regulations as they are now proposed, is that the Canadian manufacturer has to pay a 2½ per cent import duty on his raw materials Then when he ships his goods out to the retailer, he has to pay 3 per cent under the retail tax, or, all told, 5½ per cent; whereas the United States manufacturer shipping his goods in here direct to the retailer has to pay only 4 per cent of an import duty. That leaves the Canadian manufacturer with a handicap of 1½ per cent, as the finished goods come in free. The Canadian manufacturer has fixed his price for the season, and he has based his cost upon the cost of these materials free from this tax. If he is compelled to pay it, it will certainly be a very serious thing for him, and it may result in a loss on his season's operations. The reason I feel that it should come up now and not be left until after this Bill has passed is in order to avoid raising the difficult question with regard to rebate on any material that has been imported. I have a letter from one manufacturer in which he says that he has paid duty already on one shipment amounting to nearly $600. I do not see how anybody can object to this change as it is with respect to an industry that is without a particle of protection. It is in one sense a great handicap from the fact that it has to pay taxes in this country while competing with the output of large concerns on the other side which contribute absolutely nothing to the treasury except this import tax. The matter was gone into very fully last year, and the minister, realizing the situation, made this alteration. So far as the farmers are concerned, this could not help but tend towards being a benefit to them, because if the tax remains on, the Canadian manufacturer would certainly have to add that tax on his raw material to the price of his finished product, if he could get the price. I do not think that any person can reasonably object to this action on the part of the Government.

Mr. COCKSHUTT: I would like to join my voice to that of the hon. member for Brant (Mr. Harold) in his request. We have a large institution manufacturing binder twine in the city of Brantford, employing a large number of hands, and with a good deal of farmers' capital invested in the enterprise. It is working under absolutely free trade conditions, and I cannot

imagine that any one in this House would ask that a business that is without any protection whatever should be placed under a handicap as compared with the competition that it has to meet from the south of the line. This industry has had a difficult career, but has managed to weather the storm with absolute free trade in that particular article, through success in its purchasing of raw material and the great deal of foresight that has been exercised by the management for a great many years. I do trust that the Minister of Finance will give the request of the hon. member for Brant his very serious consideration, because I cannot imagine that anybody would wish to place an extra 1½ per cent on an article in such universal use as this, on which the margin of profit is small, and which is an industry that it is very desirable should be maintained in Canada. There are only three factories left in Canada manufacturing binder twine, and I hope the minister will see his way clear to grant this small concession with respect to the raw material entering into the manufacturing of binder twine.

Mr. PEDLOW: I would like to direct the attention of the House to one fact that has been brought out by the hon. member for Brantford, and that is that all that is necessary to make a success of a Canadian factory is good management, plus free trade. I am delighted to know that the hon. member for Brantford is a convert to that idea.

Mr. SUTHERLAND: I appreciate the difficulties of the Minister of Finance in securing revenues to meet our obligations. I do think, however, that there are some industries in this country that ought to be encouraged as much as possible, and consequently I quite agree with the exception that has been taken by the hon. member for East Lambton (Mr. Armstrong). In connection with the articles which are being exempted, particularly importations into this country of cream, butter, cheese, oleomargarine, margarine, butterine or other substitutes for butter, eggs, vegetables, fruits, grains and so forth, I think we all realize that there is altogether too much of our money being paid to the United States for products that we could very well raise in this country. That was more noticeable during the last month perhaps than at any other time. As the result of the tremendous importations from the United States, one of these articles—butter—has dropped 25 cents a pound in price in one week. I have here a publication of the Department of Agriculture giving importations for the month of March and I find that there were 753,726 pounds of butter, and 374,672 pounds of oleomargarine imported in that month, and that the total of dairy products imported was 1,607,741 pounds. Our money was paid out to the United States for this stuff at a time when we were looking for markets abroad for our own produce.

While dealing with this matter, I might point out that it has engaged the attention of the House on quite a number of occasions. My hon. friend from East Lambton has mentioned the exemption with respect to materials for use solely in the manufacure of oleomargarine or any substitute for butter, or lard, or for the production of cottolene. It is somewhat interesting to note how many of these different ingredients are used by the manufacturers of oleomargarine, who are carrying on this business of the adulteration of butter. Their business is not the manufacturing of oleomargarine at all, but the adulteration of butter. I would not take any exception to importing margarine into this country and manufacturing it, but what I do object to, and have objected to all along, is permitting these manufacturers to adulterate butter, which is the right that has been given to them under the regulations under which they are carrying on. There are two manufacturers in Canada, both in Ontario, engaged in this business. We are told that there have been circulars issued by them and by other associations to every member of the House pointing out that it was a Canadian product that was being used to adulterate butter, and that consequently the manufacture of oleomargarine was to the advantage of some branch of agriculture in Canada, particularly oleo oil.

What is the real situation? For the eleven months of the past year, the latest returns that I have, oleo oils were imported into this country to the extent of 1,714,562 pounds, for the purpose of adulterating butter. Cotton seed oil was imported to the amount of 889,208 pounds. These importations together with those of salt, stearine, butter oil, peanut oil, corn oil, cocoanut oil, aggregated 3,680,350 pounds. Now there is a desire on the part of the Government and of every one else to encourage Canadian manufacturers and Canadian producers. I want to point out that 99 per cent of the duty paid on these articles in the past year has been rebated to these two manufacturers, or an amount of $138,367.34. I think that instead of

exempting the importation of this stuff from any tax, as we are doing in this resolution, we should endeavour to protect and encourage our own industries. There has been dumped on the markets of this country during the past three months immense quantities of dairy products from Denmark, Holland, the Argentine, and the United States, of a very inferior quality. This stuff was churned in the churns of certain manufacturers in the city of Toronto, and placed on the market because it had very little value as it was. This is the sort of thing that has been going on for some time. We speak about the need for protection. If ever there was a time in the history of this country when the dairying industry needed some consideration and encouragement, it is now. I think we should be well advised, not only in putting a tax on the imports, but also in increasing the protective tariff against these inferior articles which have been brought into this country to such a large extent during the last few months. I have repeatedly pointed out the effect of this matter. The great objection is that we are exempting articles that are being brought in and used by the manufacturers to adulterate butter. That is really what the business is; they are not really manufacturing oleomargarine at all. What does adulteration mean? It means the mixing of base materials with something superior, and that is the very thing that the manufacturers of oleomargarine are doing. The manufacturers of butter are prevented from doing anything of that kind because they are surrounded with regulations, municipal, provincial and federal. These regulations are designed to ensure the purity of butter, and we immediately discard all these provisions and permit certain manufacturers to get a license to buy that article by millions of pounds and adulterate it with these inferior commodities. It is the purpose of this schedule to permit that stuff to come in without being taxed, I think we should place a heavy tax on such importations introduced for the purpose of adulterating good food.

Mr. HENDERS: I endorse what has been said by the three last speakers. We are dealing with two specific articles in connection with which some consideration should be given the industries concerned. As regards binder twine, the present arrangement will have two effects. It will place the manufacturer of this article in Canada at a disadvantage, as compared with the American manufacturer, and as a result the cost will be increased to the consumer, and the farmer will be affected. I think, therefore, that some consideration should be given that point. I am in perfect accord with the views expressed by the last speaker (Mr. Sutherland). A year ago, perhaps, I would not have taken this position, when butter was selling at 75 cents, 80 cents, 85 and 90 cents a pound. The poorer people of the country were in such a position that a strong argument could be advanced for giving them a cheaper article to take the place of butter. But with butter at its present price—and the probability is that it will be lower instead of higher—there is a great deal of force in what my hon. friend from South Oxford has said.

Mr. KNOX: I regret to have to ask the committee to revert to a former item, but I want to ask the minister a question with regard to cord wood used for fuel purposes.

Sir HENRY DRAYTON: All fuel is free.

Mr. KNOX: Then my question is not necessary.

Mr. McGIBBON (Muskoka): I would impress upon the minister the importance of a sane and logical position when we are protecting industries. We are protecting nearly every industry, because we are a protective country, and yet we foolishly allow one of the greatest industries to go unprotected. That is not sound or logical, nor is it in the interests of Canada. As I said the other night, we might very well, at this time, take a lesson from the United States. We know what they are doing to protect the farmers of that country, and we are not so foolish as to believe that their action will not have some effect on this country. I would therefore impress upon the Government the necessity of giving to the farmers of Canada some protection along these lines.

Mr. McQUARRIE: I support the last speaker. In British Columbia, under present conditions, our farmers are very much in need of some protection. The other day I received a letter—I notice some of the Agrarians smiling—from a branch of the United Farmers of British Columbia. I am sorry I have not that letter here; it is in my room, but I will bring it down

later. It was accompanied by a copy of a resolution passed at a meeting of the Surrey and Barnston Island branch of the United Farmers of British Columbia, urging very strongly that some extra measure of protection be provided the farmers of that province, and mentioning particularly butter, poultry, eggs, and other farm produce of that kind.

Mr. DENIS: What about tobacco?

Mr. McQUARRIE: It is also stated that the market was being flooded with American goods.

Mr. LALOR: Reciprocity.

Mr. McQUARRIE: Personally, I am quite familiar with the condition which prevails in that province, and I know that our farmers are suffering very severely. I do not think the member for Marquette (Mr. Crerar), will have very much support out in that country for the doctrine he is preaching in the Prairie Provinces. It may be that our conditions are peculiar in some ways, inasmuch as the markets of Westminister and Vancouver are situated so close to the boundary line, and are the best markets for the northern part of the state of Washington. Now, the farmers in Washington are shipping in by truckloads large quantities of all kinds of produce, and as they have the benefit of several weeks in the matter of time, they can send in their goods before the farmers in our part of the country can put their produce on the market, and therefore they have a much more favourable market than our people can find later on. I am very glad the subject has been mentioned, and I hope the minister will give this matter his very serious consideration. I am sure I speak for the great majority of the farmers of British Columbia when I say they want protection, and still more protection.

Sir HENRY DRAYTON: I have in my hand a table of the importations of butter into Canada. I have been trying to follow weekly, and sometimes daily, these importations. At the present time we want to keep as much money at home for Canada as we can, and I have therefore been interested in this matter. I happened to have this list in my pocket, and it will probably be interesting to say what the imports actually are. Of course, there is practically nothing from the United Kingdom; the imports of butter for the fiscal year amounted to 112 pounds. There was practically nothing from Newfoundland, the imports amounting to 1,049 lbs. New Zealand, on the other hand had a good deal larger export to Canada; she sold us 1,533,280 lbs. Holland sold us only 110 lbs., but our imports from the United States amounted to 2,207,077 lbs. These are the figures for the past fiscal year ending March 31. The figures for the month of April last show an importation from New Zealand of 90,776 lbs., and from the United States, 576,061 lbs. It will be observed that the importations of butter from the United States for the whole of the previous year were 2,200,000 pounds of butter and for last month, 576,061 pounds, showing a large increase in American importations. Now there is a duty of four cents a pound on butter, but I am afraid we cannot very well discuss protection or the tariff on the sales tax, and however one may sympathize, and ought to sympathize, with the dairymen this is not the time for us to consider that matter. There is still on the Order Paper an oleomargarine resolution in connection with which that matter might properly be discussed, but I am afraid we cannot take it up in connection with this sales tax resolution.

Mr. FIELDING: It is pleasing to know that in the calm and agreeable atmosphere of the last day or two some light has been coming to hon. gentlemen opposite, including my hon. friend from Brantford. Hon. gentlemen opposite have within the past twenty-four hours voted that they do not want any tariff revision, and now they are giving us many reasons why the tariff ought to be revised.

Mr. SUTHERLAND: The exception I take to the exemption from taxation of butter importations into this country is, I contend, a legitimate matter to discuss in connection with this resolution, which specifically mentions the importations which shall be exempt from the tax we propose to place on other articles. With reference to the importations of butter I am a little surprised that they do not amount to more than the figures given by the minister of 576,061 pounds for the month of April. Could the minister give us the importations for the month of March?

Sir HENRY DRAYTON: They would be included in the total of the two millions odd for the year.

Mr. SUTHERLAND: I have here a copy of the report which is sent to mem-

bers from the Markets Division of the Dairy and Cold Storage Branch of the Department of Agriculture and it gives the importations into Canada from the United States of dairy products and oleomargarine. Why they should include oleomargarine with dairy products is beyond my comprehension. In France the retailer is not permitted to sell the two articles, yet you find it included with butter in the market reports of the Dairy and Cold Storage Branch of the Canadian Department of Agriculture. According to the report in question the following importations from the United States were made in the month of March:

	Lbs.
Butter	753,726
Cheese	64,243
Condensed milk	7,200
Evaporated milk	240
Buttermilk	7,660
Oleomargarine	374,672
Total	1,207,741

Now that is quite a large quantity of this stuff to be dumped into this country during one month and the effect of it, as I have already pointed out, is that the market for butter broke to the extent of over twenty-five cents a pound in one week, and I fear that before three months are over the price will be very much lower than it is to-day. Although the people in the constituency which I have the honour to represent are not much interested in the butter making industry, yet I fully appreciate the importance of butter making to this country. I believe it is really the foundation of the live stock industry of Canada. You may manufacture cheese, condense milk, buttermilk, or other things, but in so doing you get away from the real live stock business of the country. You cannot afford to feed whole milk in order to raise young stock because it is altogether too expensive. Therefore butter making, to my mind, is the most important and most essential branch of agriculture we have in the Dominion. If we are going to maintain that industry we must increase the fertility of our soil and pay more attention to the live stock industry. The butter making which is carried on in some other parts of the country, in my opinion is the most important of all. I would strongly recommend that when the proper time comes the present duty should be increased. In the meantime I would impose a tax upon the importation of all the articles mentioned that are coming into this country, and in particular on the ingredients that go into the manufacture of oleomargarine.

[Mr. Sutherland.]

Mr. FIELDING: The hon. member has half a dozen times used the expression that millions of pounds of butter are being "dumped into Canada." Now dumping has a technical meaning, we have a law against dumping, and if my hon. friend is correct that these goods have been "dumped" into Canada he has made a very serious reflection upon the Department of Customs. I do not think he is correct, I am willing to believe that the Department of Customs is enforcing the anti-dumping law. When the hon. gentleman uses the word "dumping" he is doubtless using it in the broad sense that a large quantity of the goods to which he refers has been imported. I take it for granted he is correct in that, but when he says these goods have been "dumped" into Canada I think perhaps, it expresses a meaning beyond what my hon. friend intended.

Mr. McQUARRIE: I have the letter to which I referred a few minutes ago. It is dated "New Westminster, B.C., May 11, 1921, and is addressed to myself, and reads as follows:

Dear Sir,—At the regular quarterly meeting of the District Association of Surrey and Barreston Island, United Farmers of B.C., held in Cloverdale on 10th May, I was instructed to forward you the following resolution and trust you will give it your earnest consideration.

"That at the present time in this constituency poultrymen and egg-producers, dairymen and milk-producers, are being put out of business owing to the influx of American eggs, butter and milk, and other farm produce."

"Therefore be it resolved that this District Association wish you to use your influence as our representative in the Dominion House to save the situation by supporting an increased tariff for foreign produce."

"The Canadian tariff would require to correspond with that imposed by foreign countries."

I am, yours truly,

T. W. CURRIE,
Secretary.

I have another letter here from the "B.C. Poultrymen's Co-operative Exchange" which reads as follows:

This Exchange is a co-operative of poultrymen incorporated under the British Columbia Agricultural Acts and Amending Acts, organized for the purpose of marketing the eggs produced by its members.

At a meeting of the Board of Directors held on February 24, 1921, the following resolution was unanimously adopted, and I was instructed to forward a copy of same to you and to solicit your active co-operation and support in any steps which the Government may take to increase the duty on foreign eggs being imported into Canada: "Resolved that the enormous quantities of Oriental eggs entered at the port of Vancouver during the past three months constitutes a serious menace to the Poultry Industry of Canada that the poultry-

men cannot overcome unless a higher duty is placed on foreign eggs. The fact that a large quantity of these eggs go to the United States cuts no figure, as it only releases a larger quantity that has flooded the Canadian market and has lowered the price below the price of production, and if the future of this industry is to be assured and made sound, steps must be taken for its protection."

Under normal conditions, it is impossible for our poultrymen to produce eggs at a profit at less than thirty cents per dozen, while our information is that eggs are sold on the Chinese market at from four to six cents per dozen, and we believe that a duty of not less than twelve cents per dozen on shell eggs and a very heavy ad valorem duty on frozen and dried eggs is the only means of placing this foreign competitor on anything like par with our own producers. We are not seeking in any way to create anything of a monopoly, nor to boost prices beyond what is warranted by general market conditions, but we do want to have matters adjusted so that our men can produce their commodity at a profit, and maintain their standard of living without undue competition from the Oriental. We believe that a specific duty on shell eggs is preferable to an ad valorem duty because it discourages importations when our market prices are low, and permits imports should our prices become relatively high.

The poultry industry in British Columbia is now becoming one of the most important agricultural enterprises, and is, we believe, on the eve of developments during the next year such as we have never experienced before. This Association represents approximately two hundred producers and at the present time is marketing the product of 50,000 hens. Included among our members are some of the largest producers in the province, and industry generally looks to this Association to take the lead in such matters as the foregoing.

I trust, therefore, that you will do all that is in your power to bring about our desires in this matter.

Your very truly,

B.C. Poultrymen's Co-operative Exchange.
GEORGE E. KYLE,
Manager.

Mr. NESBITT: Does my hon. friend want a sales tax put on eggs? Of course, it is the sales tax we are dealing with.

Mr. McQUARRIE: I am speaking on a matter that was brought up by several hon. gentlemen who suggested that some kind of customs duty should be imposed on foreign produce.

Mr. NESBITT: We cannot do that here.

Mr. PEDLOW: Each egg would have to be branded under the law before being imported.

Sir GEORGE FOSTER: It is going to be arranged so the hen does that.

Mr. PEDLOW: I would suggest that the Minister of Finance supply the hens interested with a rubber stamp attachment.

Mr. FIELDING: I did not want to raise a point of order against my hon. friend from New Westminster so I allowed him to read his letter. But evidently he has made a mistake. He should have produced this in the Budget debate before he voted that the tariff was right.

Mr. THOMSON (Qu'Appelle): We have spent two full weeks' discussing free trade and protection, but our high protectionist friends on the other side do not seem to be satisfied yet.

Mr. NESBITT: Do not let us prolong the Budget discussion.

Mr. THOMSON (Qu'Appelle): As my hon. friend from Shelburne and Queen's has said, they did not want to revise the tariff, but now apparently they are bent on revising it. They did not vote properly the other day; they made a mistake, as they admit themselves, and should have voted on the other side. There may be some farmers throughout the Dominion who are anxious to raise their prices by protection so that the unemployed workingmen may have to pay more for their food, but our farmers generally want protection only from the protected interests. We have had some remarks made that should receive consideration, and it seems to me that these other things are thrown into distract attention. I should like to know from the minister whether there is anything in the point raised by my hon. friend from Brant. I do not know that I grasped exactly the way in which he suggested that our manufacturers of binder twine would have to pay one and a half cent more than the importer. If there is anything in that I think it should receive attention.

Sir HENRY DRAYTON: I would submit, Mr. Chairman, that we will have to consider any further tariff discussion on this sales tax as out of order.

Some hon. MEMBERS: Hear, hear.

Sir HENRY DRAYTON: I believe there is a great deal in the point raised by the hon. member for Brant, and I agree very largely with what he has said. I shall have the same pleasure in taking it up as I shall have in considering what my hon. friend from Shelburne and Queen's suggested in connection with fishing boats, with a view to taking action.

Mr. ROBB: The minister has promised to reconsider the tax on the lumber interests. May I suggest in that connection that he take into consideration this feature?

If it is desirable to exempt from the sales tax lumber that goes into the construction of ships, would it not be well to reconsider upon what basis we should tax lumber going into the construction of houses, barns and stables?

Sir HENRY DRAYTON: There is a further amendment I wish to move before the clause is adopted, Mr. Chairman, and although it is fairly long it is very simple. Before the basis of taxation was arrived at and adopted submissions were received as to the best methods of raising the required revenue from witnesses in every walk of life, from boards of trade and kindred commercial associations and from farmers' institutes who appeared before the Tariff Commission. One of the things which was urged from time to time was the general turnover tax, and in that connection the desire was expressed that book-keeping troubles should be saved and that the tax should not be shown separately upon the invoice. Since the resolution has been brought down on looking further into the matter and having particular regard to the question of checking revenues, we have come to the conclusion that we had better stick to the law as we had it before. Taking that course, I move:

That the following words be added after the word "cent" on third line of page 8 of Resolutions:

"that the purchaser shall be furnished with a written invoice of any sale, which invoice shall state separately the amount of such tax to at least the extent of one and one-half per cent but such tax must not be included in the manufacturer's, producer's or wholesaler's costs on which profit is calculated; and the tax shall be payable by the purchaser to the wholesaler, producer or manufacturer at the time of such sale, and by the wholesaler, producer or manufacturer to His Majesty in accordance with such regulations as may be prescribed, and such wholesaler, producer or manufacturer shall be liable to a penalty not exceeding five hundred dollars, if such payments are not made, and in addition shall be liable to a penalty equal to double the amount of the excise duties unpaid; that the term "duty paid value" means the value of the article as it would be determined for the purpose of calculating an ad valorem duty upon the importation of same into Canada under the laws relating to the Customs and the Customs Tariff whether such article be in fact subject to ad valorem or other duty or not, and in addition the amount of the Customs duties, if any, payable thereon".

Mr. PEDLOW: I have in my hand a clipping from the Ottawa Journal of May 18, 1921, which reads as follows:

Wholesalers oppose the Sales Tax Change—Want Levy Shown Separately on the Invoices.

Montreal, May 17.—In connection with protests against the proposals of the Minister of Finance, as outlined in the Budget, the branches of the local Board of Trade have been busy passing resolutions of dissatisfaction and forwarding them to Sir Henry Drayton. In addition to the Wholesale Grocers' Guild and the Produce Merchants' Association, the Montreal Wholesale Drygoods Association held a meeting to-day, and adopted a resolution supporting the principle of setting out on the invoice the amount of sales tax, apart from the costs, and directed their secretary to send copies of this resolution to the drygoods sections of the Boards of Trade of Toronto, Winnipeg, Quebec and Halifax for further consideration and action. A meeting of the lumber association to consider similar questions will be held here to-morrow.

It would appear that this change has been made in response to the protests received from the sources indicated in this despatch. Now, I am distinctly opposed to this change. I may be out of harmony with the wishes of the Retail Merchants' Association of Canada, just as I was out of harmony a year ago with the resolution presented to the Minister of Finance by that association. If the minister had listened to the suggestions which I made then, he would not only have saved himself a considerable amount of trouble but he would have saved the retail trade of this country an enormous amount of worry, annoyance and dissatisfaction. The statement which I made on that occasion will be found on page 3341 of Hansard, session of 1920, volume 4. On that occasion I said:

The Minister of Finance has decided on a certain method of collecting these taxes. It does not meet with my approval and I would suggest some other method, but he is the man in charge of the ship and he is responsible.

Further on I said:

We have to raise the money, and if the Minister of Finance has decided that this is the best way in which to raise it, we have no alternative but to submit and try it out.

Further on in the discussion I said:

I should like to persuade him to try another method, but I understand that is impossible.

I may add that during that discussion I quoted from a resolution presented to the minister by the Retail Merchants' Association, drygoods section, endorsing the principle of collecting the revenue through the medium of the luxury tax. This resolution had been endorsed by the association and presented to the minister on the occasion of a meeting with him at the Chateau Laurier. Now, the House had scarcely prorogued after the session of 1920 when protests started to come in from all directions, and from that day until the luxury tax was abolished in December the minister must have had an interesting time

of it because of the protests which came from all parts of Canada. I believed then that for an emergency the collection of a sales tax would be the best way of raising revenue. My suggestion then, as it is to-day, was the placing of a one per cent sales tax on each turnover. The present proposal is too involved: there is a one and one-half per cent tax on turn-

5 p.m. over from manufacturer and wholesaler to retailer; a two and one-half per cent tax on sales direct from the manufacturer to the retailer or consumer, a three per cent tax along another line, and, in addition, a four per cent tax on goods imported direct by retailer or consumer. Now, this will entail a great deal of checking and an enormous amount of work on the part of the importer as well as on the part of the Inland Revenue Department. If a simple tax of one per cent had been levied by the minister on each turnover he would have received as much money from the consumer, who in the final analysis must pay this tax—in fact he might have received more. I further want to go on record as favouring the principle of collecting this tax from the seller on each turnover. The principle adopted in this resolution means that the purchaser, not the seller, will have to pay the tax in each case. In my judgment the method I propose would simplify the whole system of collection and produce the returns aimed at by the Budget. I notice that in his Budget the minister has made a statement with regard to the retail trade in this country which in my judgment is not a fair statement, although I am sure the minister did not wish to be unfair to any section of the community. Here is what he said, as it appears on page 15 of the copies of the Budget speech which have been printed and distributed:

> In practical administration, though, in view of the fact that after careful survey it has been established that books are not kept in many retail stores—

I have discussed this subject with many of the men who are doing field work for the Income Tax Department, and while they admit that some retail merchants do not keep a set of books by double entry or by some other approved system, still there is hardly one that they meet in their entire travels, that does not keep a record of his sales. I should like the minister to bear that point in mind. Therefore if you establish a sales tax, you have no difficulty about a man keeping a record of his sales, so that the difficulty suggested my this statement is not as great as it would seem if looked at from the viewpoint from which the minister looked at it. If I am correct—and I honestly believe I am—that a very small minority of those carrying on retail businesses of one class or another will be found who do not keep records of their sales, it should be a simple matter to collect a revenue on the basis of a sales or turnover tax. I am informed by very intelligent men in the service of the Income Tax Department that this is the only basis upon which, in many cases, they are able to work out an income tax return. Therefore, if they are able to work out an income tax on the basis of the record of sales of merchants, it should be a very simple matter for the department to collect a sales tax of one per cent on the turnover. A turnover tax of one per cent would be paid, in the first instance, by the importer or manufacturer, then a turnover tax of one per cent by the wholesaler or jobber, and, last, a turnover tax of one per cent by the retailer or distributor. I know a system of that kind is and has been in operation since 1905 in the Philippine Islands, and they collect a turnover tax along the lines that I suggest, but they make it apply rather from a certain amount of sales or turnover upwards. That is to say, a firm doing a certain amount of business during the year is exempted or is not bothered with, because the amount is too small; they do not look to firms of that kind for a sales tax. I feel satisfied, since the minister has committed himself to the proposition, that, as last year, he will go on with it; but I can assure him now, as I assured him a year ago, that he will have no end of difficulty, and that the men in the retail merchants' associations who are at present supporting him will be the first ones to turn round on him before the year has progressed very far.

The CHAIRMAN (Mr. Steele): Shall the amendment carry?

Mr. ROBB: The minister promised some consideration to the different lumber items.

Sir HENRY DRAYTON: I said that I would consider the matter just as I am considering what was urged by the hon. member for Shelburne and Queen's (Mr. Fielding) in regard to boats.

Mr. FIELDING: As regards the question of the amendment which my hon. friend has moved, I can understand the argument that the tax, whatever it might

be, should be shown on the invoice. Whether that is wise or not, is a matter to be argued. But if a tax is to be shown, the actual tax should be shown. The taxes are 1½, 2½, 3 and 4 per cent, while according to the amendment moved by the minister, no tax except the one of 1½ per cent shall be shown on the invoice. If any reference is to be made to the tax, why should the whole tax not be shown?

Sir HENRY DRAYTON: This follows the principle of last year. One-half of the tax may be absorbed; the rest of it must be shown.

Mr. FIELDING: The fact that a thing was done last year is not conclusive that it is wise. Why not show the real tax? why are the people to be deceived by the exhibition on the invoice of a tax of 1½ per cent, when the real tax is 4 per cent?

Mr. HAROLD: The real reason for that is that the wholesaler charges the retailer 1½ per cent, and a manufacturer shipping directly to a retailer wants the privilege of being able to charge exactly the same rate as the wholesaler. The invoice bears the same rate; but when it comes to a matter of putting on the sales tax, the jobber has the advantage in so far as he can show on the invoice a tax of only 1½ per cent. That is the reason why this method was adopted, and it has worked out quite satisfactorily. I believe, if the matter is left in the way in which the minister has it, it will continue to work out all right. In my experience, I do not remember seeing an invoice on which the actual amount of the tax was not shown; but there may be instances where a business is figured very closely, and where the manufacturer or the original producer may wish to have that privilege of selling as cheaply as the wholesaler.

Mr. FIELDING: I have difficulty in understanding why the actual tax is not to be shown. If there is any point in showing the tax on the invoice, the whole tax should be shown. The matter may have been discussed last year, and it may have escaped my memory. What the hon. member (Mr. Harold) says is that the manufacturer or dealer may not wish it to be known what the tax really is. I do not think that is a good reason. If there are good reasons why the tax should be shown on the invoice, the statement should be an honest one as regards the tax that is paid.

Sir HENRY DRAYTON: The whole idea of it is that we are trying to deal fairly with both classes of business activities. There are manufacturers and wholesalers. Some manufacturers sell directly; some use wholesalers. If a manufacturer was obliged to show the whole of the tax on the invoice, he would be showing a tax twice as great as that which the wholesaler has the right to show. The transaction is entirely with people who understand the business; this is not a question of dealing with the public at all as there is no tax upon sales from the retailer. This is merely in the trade, and it enables manufacturers to sell directly if they so desire without selling through middlemen, allowing them to pay, at their own expense, part of the tax which they are not showing.

Mr. ROBB: Certain commodities are exempt from taxation. Let us say that a mill is turning out cement. Cement is exempt, is it not?

Sir HENRY DRAYTON: No.

Mr. ROBB: Flour is exempt. Supposing a car of 500 bags of flour is going out. The approximate value of that at present would be $2,500; but there is a tax on the container, and the mill, under this proposed amendment, will be compelled to show 1½ per cent on the invoice. That at the value of bags to-day would represent approximately 75 cents. I am satisfied that flour millers will not object to pay the tax; but would it not be more economical if they were to pay it when they buy the bags? Why compel a mill to keep a bookkeeper to look after this, because it will require practically a special man to look after and total this all up, and it will involve additional expense upon the department to look after it.

Sir HENRY DRAYTON: It is entirely optional with the miller what he does. He may sell containers or he may not. The usual way of doing business is to make a lump charge for your commodity.

Mr. NESBITT: Including the bags?

Sir HENRY DRAYTON: Yes, and in that case there is no tax on it. If the miller is going to make a separate charge for a container, there is a tax.

Mr. ROBB: The minister rules that it is not necessary that the miller should show this tax on his invoice.

Sir HENRY DRAYTON: Not in the flour business.

Mr. NESBITT: Not unless he charges for the containers. If you invoice me a carload of bran, you invoice me that at a certain price per ton; you do not charge for the bags separately. If you do it in that way there is no percentage charge.

Mr. ROBB: I understood from the minister's statement a moment ago that as regards anything on which there was a tax, the man must show the tax on the invoice.

Sir HENRY DRAYTON: It depends upon the sale in each case.

Mr. NESBITT: He pays his sales tax when he receives the bags to the fellow who makes them, but he absorbs that tax.

Mr. SUTHERLAND: I notice that cream, butter, cheese, milk and so forth are mentioned in the amendment, but not condensed milk, or powdered milk. Might not those be included?

Sir HENRY DRAYTON: We will consider that.

Mr. DENIS:: I think it is hardly fair for the minister to patch up this resolution in the way he is doing by amendment after amendment of which no notice has been given. I have been trying to get a copy of the last amendment, but have not been able to do so, and even if I should receive a copy, it would be difficult at this moment to discuss it intelligently without having seen it before. I have no doubt the minister is acting in good faith, but I do not think he is doing justice to the committee in bringing forward amendments in this way. Copies of the amendment should have been distributed in advance.

Sir HENRY DRAYTON: Here is a copy of the amendment for my hon. friend. It will be just the same method as last year.

Mr. DENIS: The amendment is a long one, of twenty-five lines. How can an hon. member express an opinion on such an important amendment that he now sees for the first time? I shall have to discuss the amendment as I understand it at the moment, but I say that it is not fair to the committee. If I understand the amendment rightly, we are reverting to the method of last year in collecting the tax.

Sir HENRY DRAYTON: It will be the same plan as last year.

Mr. DENIS: In the Budget the minister proposed a different plan from that of last year, but now he is going to revert to the method of last year. What about the public and the trade who are interested in this Bill, and who have been informed by the minister in his Budget speech that the plan of collection is going to be changed, and that the tax would be imposed at the point of production and the point of entry. Now the minister comes along and changes his plan altogether. I must say that I am not favourable to this sales tax, but apart from the principle, I was favourable to the method of collection which was announced by the minister in his Budget this year. Now he says that that method will not be adopted, but that he will revert to the plan of last year. I have nothing more to say at the moment, except that it is not fair to the committee or the trade and the public generally to change the method and pass the resolution without any more notice than has been given this afternoon.

Mr. PEDLOW: I read an extract from the Ottawa Journal a few moments ago, and I intended to make some further comments on that feature of the situation. In my judgment the minister has made this change in order to comply with the requests of the wholesale trade, the manufacturers, and other big interests in Montreal. Just a few days prior to the day on which the item I read appeared, there was another item in the press to the effect that the wholesale trade were at logger-heads regarding the collection of this tax, that some of them were absorbing it, and others were not. They were using the tax as a lever for inducing business. In order to combine upon a plan, all those interested in this matter met together and forwarded resolutions to the Minister of Finance. It would seem to me in view of the decision arrived at now, and in view of this amendment providing that the method of collection shall be the same as last year, that the minister has decided—shall I say?—to pull the chestnuts out of the fire for the wholesalers and manufacturers of the country. That is, in my judgment, the real reason for the decision that has been arrived at.

Mr. ROBB: The first clause says:

> Provided also that the taxes specified in this section shall not apply to sales or importations of,—
>
> Bread;—flour and oatmeal, when in packages weighing not less than forty-eight pounds each;

My interpretation of that is that all flour put up in packages of forty-eight pounds and over is exempt.

Sir HENRY DRAYTON: That has all been struck out.

Mr. ROBB: All flour is exempt?

Sir HENRY DRAYTON: Yes.

Mr. ROBB: There is another matter. I want a ruling as to where this tax will apply on lumber or any of these other articles. Will it apply at the point of shipment or at the point of delivery? I think it is important that the country should have a ruling on that at once, because it will make a material difference to the general trade of the country.

Sir HENRY DRAYTON: The same practice will be followed as in fixing valuations of imports. It entirely depends on the invoices.

Mr. HAROLD: Coming back to this matter I spoke of before, I could not hear the minister when he was making his statement regarding the fibre question, but I understand that he is in favour of correcting the injustice that is done under the regulations. There is one point I should like to have made clear, and that is: how will the importers stand with regard to any duties collected?

Sir HENRY DRAYTON: That will be quite all right.

Mr. CAHILL: Following up what my hon. friend from Brant has said, I notice that he brought up this same question last year. He said (Hansard, June 16, 1920, page 3623):

> Mr. Harold: Is the Minister of Finance going to add to the list of exemptions the materials and supplies that enter into the manufacture of binder twine?
>
> Sir Henry Drayton: As the fibre which is used in the manufacture of binder twine is the important item, and as we are not adding in any way to the burdens of agriculture, I move to add to the list of exemptions after the words "heating purposes" in the amendment to paragraph (d) of resolution 7, the words "fibre for use only in the manufacture of binder twine."

I would like to ask the minister what is the objection to taking that action now?

Sir HENRY DRAYTON: There is no objection at all. As I said, I am in sympathy with it, but there are other fibre twine essentials which we have been asked to consider practically on the same grounds, and we wanted to deal with the whole matter at the same time. I cheerfully give again to my hon. friend the undertaking I have already given, that this material the hon. gentleman wants exempted will be exempted by Order in Council, and the exemption made retroactive.

Mr. DECHENE: Sub-section 4 exempts prayer books, hymn books, bibles, gospels, parts of bibles, tracts, etc. Now, Catholics do not use bibles very extensively, but they do use missals and some other books of that kind. I do not see missals mentioned in this list. It may be stated that they are covered in the term "prayer books," but I think the matter should be put beyond any possibility of question.

Sir HENRY DRAYTON: There can be no room for question on that. Of course they are exempt. However, if my hon. friend desires any greater particularity, I do not object to adding the word "missal".

Mr. DECHENE: I think the word missal ought to be added.

Mr. PEDLOW: I suggest adding, after the word "tracts," the words "and books", —religious tracts and books.

Sir HENRY DRAYTON: That would be too broad.

Resolution agreed to.

Mr. ROBB: Before the resolution is reported, I understood that the minister had promised the member for Shelburne and Queen's (Mr. Fielding), that he would take into consideration certain exemptions in regard to lumber for ships. I also pointed out that inasmuch as he has already made provision for the exemption of lumber going into certain ships, it was an unfair discrimination to tax lumber used in the construction of houses, barns and stables. The minister promised some consideration to that matter.

Sir HENRY DRAYTON: The matter brought up by the member for Shelburne and Queen's is one which will require some little consideration, in order properly to define what is to be done. I undertook that the matter would be considered by Council at an early date, and I shall be pleased at the same time to consider the question raised by my hon. friend (Mr. Robb).

Mr. DECHENE: Will the minister consider the advisability of including beads and crucifixes in the category of goods used in prayer, and exempting these articles? They are not used for commercial purposes, and I do not see what objection there could be to exempting them.

Sir HENRY DRAYTON: We will also consider that in Council.

Mr. DENIS: I wish to go on record as being opposed to a tax on lumber. Lumber is a natural product of the land, and this resolution clearly establishes the

principle that natural products of the land are to be exempt. The Minister of Finance will, no doubt, say that this is true, and that he is not taxing natural products; and we find that logs and round unmanufactured timber are not to be taxed. But I would point out that lumber, even after it is sawn, is a natural product of the land, and should not be taxed, because 95 per cent of the lumber used must be sawn before anything can be done with it. I see no reason therefore why lumber should be taxed any more than products of the mines or of the sea. We must not lose sight of the fact that in Canada to-day there are half a million people without homes, and the general try at the present time is for houses, and more houses. This Parliament has voted an appropriation and has passed a law in regard to a housing scheme. Every one admits that the housing problem in Canada to-day is a most acute one, and yet we are taxing the very essential that goes to the building of the people's homes. I do not see any distinction in the resolution between the large and small saw-mill, and as between the lumber used by the small settler or farmer, and lumber used in trade and lumber sawn or manufactured for export. There are in this country any number of small mills which saw lumber for the use of the settler and the farmer, and I do not think it is right to put a tax of 3 per cent on the lumber which the farmer takes to these mills to be sawn for domestic purposes. The poorer classes are in such great need of houses to-day that nothing should be done to hamper people in building homes. The new tax should not be imposed on lumber, which is one of the principle articles used in the building of houses. At present the building trade is almost stagnant throughout the country. It was in the same state last year and the year before. What is the reason? We have come to the point where labour has decreased in certain places, and now, I am informed on very good authority, building material has also decreased 20 per cent since last year. When these other materials are being decreased I do not think it is right for the Government to impose a tax that will be burdensome to those engaged in the building trade, especially for the reason that it will tend to still furather restrict the possibility of people of the poorer classes getitng dwellings at anything like a reasonable rate. Furthermore this tax on sawn lumber is really a tax on the export lumber trade, such as is not imposed in the case of any other commodity.

Mr. CALDER: There is no tax on the export of lumber.

Mr. DENIS: I understand that when a log has been sawn the owner of the mill is liable to a tax.

Mr. CALDER: The tax is paid when the lumber is sold for internal consumption not for export.

Mr. DENIS: I am glad to hear that.

Mr. CALDER: At the end of the clause there is a provision that the tax shall not be payable on goods exported.

Mr. DENIS: I have one or two observations to make with regard to the sales tax. Such a tax imposed on the poor as well as on the rich is not just to the former. A sales tax of three or four per cent means practically nothing to a rich man, but such a tax on the commodities used by the poor is a very heavy burden. For that reason I am not in favour of it. I notice that in the United States Senate Senator Smoot has introduced a Bill providing for a sales tax of 1 per cent which has evoked much condemnation. Now, if a sales tax of 1 per cent in the United States is regarded as bearing heavily on the poor, what must be the effect of the imposition of a sales tax of 3 or 4 per cent in this country?

Mr. DECHENE: I notice there is a provision that the excise taxes specified in the section "shall not be payable on goods exported, or on sales of goods made to the order of each individual customer by a business which sells exclusively by retail." How would that operate in a case of this kind? Take a stove manufacturer who sells goods by retail all over the country. A jobber comes to his shop and says "I want 100 stoves from you and I would like my name put on those stoves." Will there be a sales tax in the case of such an order as that?

Mr. CALDER: Such a transaction would be covered by the regulations that will be applied under this section. My hon. friend will notice the wording "by a business which sells exclusively by retail, under regulations by the Minister of Customs and Inland Revenue." Any practice of that kind would be stopped by the regulations because such is not the intention of the law. On the other hand I think the Minister of Finance has already given an illustration applicable to the case of a retail merchant. Where individuals go in and get suits of

clothes individually, it is not intended that the tax should apply.

Section agreed to.

Resolutions reported, read a second time and concurred in.

Sir Henry Drayton moved for leave to introduce Bill No. 204 to amend the Special War Revenue Act, 1915.

Mr. ROBB: Is it made perfectly clear that this resolution has been passed as amended?

Mr. DEPUTY SPEAKER: Amendments to a resolution are never reported.

Motion agreed to, and Bill read the first time.

JUVENILE DELINQUENTS' ACT AMENDMENT

On motion of Right Hon. C. J. Doherty (Minister of Justice) Bill No. 157 to amend the Juvenile Delinquents' Act was read the second time, and the House went into committee thereon—Mr. Boivin in the Chair.

On the title:

Mr. McKENZIE: I wish to say to the Minister in connection with this Bill that there is one thing which I take exception to,—that it is to be brought into force by proclamation. This is a very inconvenient procedure and should be discouraged as much as possible. The proclamations appear in the Canada Gazette, which is read by about one-tenth of one per cent of our people, and even members of my own profession very often do not know when they read a statute that is to come into force by proclamation whether it is actually in force or not. I submit that any criminal law should come into force by the statute itself.

Mr. DOHERTY: I agree on general principles with what my hon. friend said, but this is a special provision. It is not the Act itself that is to come in force on proclamation, but only one section, and that section has to do solely with the age at which a person may be treated as a juvenile delinquent. It is not creating any new crime, it is merely providing that a larger class of boys and girls may be treated as juvenile delinquents. The special reason for taking this course is that it has been represented to us that our present reformatories—which are mostly provincial institutions—are not now prepared to take in this additional class as between the ages of 16 and 18, and that until proper arrangements are made it might prove very detrimental to the younger children to be brought in contact with these older and possibly more hardened offenders. We made a similar amendment the other day to the Prisons and Reformatories' Act with the same provision. I quite recognize the force of the hon. gentleman's objection if this were a penal provision, but, as I have said, it applies only to a matter of procedure.

Bill reported, read the third time and passed.

CANADA EVIDENCE ACT AMENDMENT

On motion of Right Hon. C. J. Doherty (Minister of Justice) Bill No. 156 to amend the Canada Evidence Act was read the second time, considered in committee, read the third time and passed.

STATISTICS ACT AMENDMENT

On motion of Right Hon. Arthur Meighen (Prime Minister) Bill No. 141, to amend the Statistics Act, was read the second time, and the House went into committee thereon.—Mr. Boivin in the Chair.

On section 1—schedules that may be sent post free.

Mr. McKENZIE: I have had some complaints from the Health Department of Nova Scotia which I brought to the notice of the Health Department here, and, I think, the Post Office Department also. The reports sent to Ottawa by the Provincial Health Department were formerly sent free of postage, and I understand that under the law of last year that privilege has been done away with. If we provided under this Bill that these reports might be sent free of postage, I think it would meet the public view.

Mr. MEIGHEN: The Act of last year was intended to be a relief to the Post Office Department from a great many encumbrances on its revenue. My thought was that it was intended that these health reports should not be exempt from paying postage. The matter affected by this Bill was also last year included in the list of that not exempted, as was, indeed, everything coming from Provincial Governments. A tremendous amount of revenue was lost and all manner of stuff was sent out that was wasted simply because it went free. The whole subject was reviewed, and the matter was put, as we thought, on a business basis. The hon. gentleman may possibly be right

6 p.m.

as to the health reports, but I fancy that it is a case of services rendered the province by the Federal Government, rather than service rendered by us to the province, and they should hardly object to paying postage on them. But here we have a case where service is rendered by the provinces to us, and I understand that is why the Minister of Trade and Commerce felt he could not continue the rule of having them pay postage. Anyway, if my hon. friend were right the change would have to be made by amendment to the Health Act.

Section agreed to.

Bill reported, read the third time, and passed.

OTTAWA IMPROVEMENT COMMISSION

On motion of Right Hon. Arthur Meighen (Prime Minister) Bill number 135, to amend the Ottawa Improvement Commission Act, 1919, was read the second time, considered in committee, reported, read the third time and passed.

INSPECTION AND SALE ACT AMENDMENT

HAY AND STRAW INSPECTION

On motion of Right Hon. Arthur Meighen (Prime Minister) Bill No. 159 to amend the Inspection and Sale Act (Hay and Straw Inspection) was read the second time, considered in committee, reported, read the third time, and passed.

OLEOMARGARINE ACT AMENDMENT

On motion of Right Hon. Arthur Meighen (Prime Minister) the House went into committee to consider the following resolution, Mr. Boivin in the Chair:

Resolved, That it is expedient to repeal section three of the Oleomargarine Act, 1919, chapter 24 of the statutes of 1919 (second session) as amended by section one of chapter 30 of the statutes of 1920, and to provide in lieu thereof that notwithstanding anything contained in the Dairy Industry Act, 1914, chapter seven of the statutes of 1914, or in any other statute or law, the manufacture in and importation of oleomargarine into Canada, and the offering for sale, and the having in possession for sale of oleomargarine, shall be permitted.

Mr. ROBB: As representing an agricultural constituency, and having in mind the great reduction in the price of dairy products—butter and cheese—I can see no longer a necessity for the free admission of oleomargarine into this country. Formerly it was the policy of this country, for the benefit of the dairy industries, to keep out oleomargarine. The producers of dairy foods recognized, during the war, that butter was very high, and serious objection was not raised then to the admission of oleomargarine. But it is well known that oleomargarine, on account of the way in which it is put up and its appearance, is often substituted and sold for butter. For that reason, the dairy interests of this country believe that the time has now arrived when they should oppose the admission of oleomargarine into Canada, and I will advise the Minister of Agriculture that when the Bill comes up for its second reading I will oppose it.

Mr. DENIS: The hon. member for New Westminister (Mr. McQuarrie) was making a speech in favour of the protection of eggs in British Columbia. If he were here he would support me when I say that, when butter has gone down 20 cents a pound within a month or two, it is no time to allow the admission into this country of oleomargarine. For my part I wish to place myself on record as being opposed to the resolution.

Mr. LEGER: In the past, a similar resolution was before the House. I opposed it then, and to-day I am more opposed to this resolution, because the admission of oleomargarine into Canada will be hurtful to the dairy interests of our country. Until lately I did not know anything about oleomargarine, although I had heard a great deal about it. Lately I purchased some and tasted it. There is no flavour to it, and it is not a class of goods that should be used by anyone. On that account, and because of the inferiority of the goods I am opposed to the resolution.

Mr. DECHENE: This afternoon we have had a great deal of discussion in regard to many articles of food and this and that, and now the Government is asking that oleomargarine may be sold in this country. As my hon. friend (Mr. Denis) has said, the price of butter has dropped 20 cents per pound or more within the last month or so, with the prospect of a still further drop in price. When butter is selling at such a low figure, it is not necessary to allow oleomargarine to be sold in this country. That was alright during the war when butter was high and the export of butter was at the highest point. As the matter stands now, we exported very little butter during 1920, and our exports this spring have been pretty low. Our wholesale houses are filled to the roof with butter, and it would be very unwise at this time

to allow again the importation and sale of oleomargarine. I wish to place myself on record as being opposed to the resolution.

Mr. MEIGHEN: I suggest that we have an understanding that the passing of this resolution in no way commits the House to passing the Bill. We are simply advancing the matter a stage.

Resolution agreed to, on division, and concurred in.

Mr. MEIGHEN thereupon moved for leave to introduce Bill No. 205, to amend the Oleomargarine Act, 1919, founded on the resolution.

Motion agreed to, and Bill read the first time.

GRADING OF DAIRY PRODUCE

On motion of Right Hon. Arthur Meighen (Prime Minister), the House went into committee to consider the following resolution, Mr. Boivin in the Chair:

Resolved, That it is expedient to bring in a measure to regulate the grading of Dairy Produce, and to provide,—

1. That the Governor in Council may make regulations for the grading of dairy produce, that is to say, butter, cheese and other food products manufactured from milk intended for export; for the establishment or designation of grading stores; for the issuing of grader's certificates; for the special marking by manufacturers of packages of dairy produce intended to be graded; for the establishment of standards, definitions and grades for dairy produce; and, for the imposition of fees for the grading of dairy produce.

2. That the Governor in Council may by regulation prescribe the time when any regulation made under the provisions of the proposed legislation shall come into operation, the particular kind or kinds of dairy produce to which it shall apply, and the part or parts of Canada within which it shall be in force.

3. That there may be appointed such dairy produce graders and other officers as may be deemed necessary for the carrying out of the provisions of the proposed legislation and of the regulations made thereunder.

4. That the Governor in Council may by regulation provide for an appeal to the Dominion Dairy and Cold Storage Commissioner, or his representative, from a decision of a Dairy Produce Grader as to the classification or grading of any particular lot of dairy produce.

5. That penalties may be imposed for the violation of any provision of the proposed legislation or of any regulation made thereunder.

Mr. DENIS: This resolution may be all right; but it is very wide and vague in its terms, and it should not be passed when, according to the rules, the committee is not supposed to sit. The committee is very slim, and there may be members who are not in the chamber at present, who would like to oppose the resolution.

[Mr. Dechene.]

Mr. MEIGHEN: The resolution may be called "carried on division." There is this extra precaution in this case. The resolution has, of course, to be followed by a Bill, the same as the previous resolution; but this Bill would, I presume, have to go before the Committee on Agriculture, and there, as well as in the House, and in committee again, it will be threshed out, so that we are taking no risks.

Mr. ROBB: If as suggested by the Prime Minister, the resolution is passed on division, this time I would be compelled to vote with the Prime Minister. This matter has previously been before the Committee on Agriculture and it has been pretty well threshed out in that committee. While objection was taken to certain features of it, I think the Minister of Agriculture and the Dairy Commissioner satisfied the Committee on Agriculture that nothing would be done that would be of any injury, and that this measure would be of advantage to the dairy industry. As a representative of a dairying constituency, I am not opposed to the introduction of this measure, but I will reserve the right to determine my attitude when I see the Bill.

Mr. McKENZIE: By passing this resolution, we commit ourselves, I suppose, to the principle of it. Is it the intention to make any new appointments or to impose any further burdens upon the country by reason of this legislation?

Mr. MEIGHEN: If any new appointments are necessary, they will be in the nature of assistance to the country instead of burdens, but I must confess that I do not know.

Mr. McKENZIE: That is the trouble of rushing through the business of the department. The minister (Mr. Tolmie) was here a few minutes ago, and he certainly is within call somewhere. He is not here now, although he should be here in order to give explanations.

Resolution agreed to, on division.

Mr. Meighen thereupon moved for leave to introduce Bill No. 206, to regulate the grading of dairy produce, founded on the resolution.

Motion agreed to, and Bill read the first time.

On the motion of Right Hon. Mr. Meighen the House adjourned at 6.18 p.m.

Monday, May 23, 1921.

The House met at Two o'clock.

COPYRIGHT

Hon. C. J. DOHERTY (Minister of Justice) presented the report of the Special Committee appointed to consider Bill No. 12, to amend and consolidate the law relating to Copyright.

BUSINESS OF THE HOUSE

Mr. J. E. ARMSTRONG (East Lambton) moved:

That owing to the late period of the session all the Bills reported this day by the Select Standing Committees on Railways, Canals and Telegraph Lines, Banking and Commerce, and Miscellaneous Private Bills, be placed on the Order Paper for consideration in Committee of the Whole this day.

Motion agreed to.

JUDGE SNIDER'S REPORT

On the Orders of the Day:

Hon. W. L. MACKENZIE KING (leader of the Opposition): I would like to draw the attention of the Government to an answer that was made by the right hon. the Prime Minister to a question that I asked on Friday last in regard to Judge Snider's report. The question and answer were as follows:

Hon. W. L. Mackenzie King (leader of the Opposition): Is the Prime Minister now in a position to say when Judge Snider's report will be brought down?

Right Hon. Arthur Meighen (Prime Minister): I have heard nothing at all about the report. As far as I know, the report, after the final sitting, is not in. I am informed just now that it is not in.

I do not know whether my right hon. friend is seeking to get under cover through the use of the words "after the final sitting." I believe that Judge Snider made a report some two months ago, which was approved by Order in Council some fifteen days ago. That is the report to which I have reference, and what I should like to know is why that report has not been brought down to the House. If my right hon. friend is talking about some other report, it is not what I have in mind. What I should like to have brought down is the report that was made some two months ago by Judge Snider, and which has been approved by Order in Council.

Right Hon. Sir GEORGE FOSTER (Minister of Trade and Commerce): That matter has been in the hands of the Prime Minister, and if he were here, he would be able to give my hon. friend the answer. I will inquire into the matter and let my hon. friend know in the course of the day, if I can get the information.

PRIVATE BILLS

FIRST AND SECOND READINGS

Bill No. 202 (from the Senate), for the relief of Agnes Robertson.—Mr. Fripp.

Bill No. 203 (from the Senate), for the relief of Hilda May Freeman.—Mr. Mowat.

ALPHONSE LeMOYNE deMARTIGNY

The House again in Committee on Bill No. 120 (from the Senate), for the relief of Alphonse LeMoyne de Martigny.—Mr. Ross.—Mr Boivin in the Chair.

The CHAIRMAN: When this Bill was last before the committee, clause 1 had been read and was under consideration, when postponement thereof was moved by Mr. Stein.

On section 1—marriage dissolved:

Mr. STEIN: I have a few remarks to offer against the adoption of this Bill by the committee. I am sorry to feel compelled to delay the House, but I think it is my duty to oppose the Bill on grounds that I shall offer presently to the committee.

I have read very carefully the evidence that was submitted to the divorce committee of the Senate on this Bill, and in my humble opinion there is not sufficient ground for granting a divorce. Contrary to my custom, I took the trouble to read the testimony in a few other divorce cases, and I found that in every other case much stronger evidence was adduced than was offered in this particular case. In no other case has a divorce been granted on so little evidence as in the present case. Now, I have no special interest in this matter, but I am informed that this is the first time that a divorce has been granted in the province of Quebec, from which I come, and I believe I speak for my colleagues, who share my views on this question, when I say that we do not want this Bill to pass this committee without our humble protest, whatever the result may be. From a legal standpoint, I do not think there is sufficient evidence to warrant the granting of a divorce. It was shown, in two or three actions that came before the Superior Court of the province of Quebec in the district of Montreal, between the same parties, that the suppliant, even if his allegations were true, was far more guilty than he alleges his wife to be. But his wife, before

the Superior Court of Quebec, has formally and absolutely denied the accusations against her. I have here extracts from the deposition of the husband, Alphonse Le-Moyne de Martigny, given before the Superior Court in Montreal on February 22nd, 1919. I shall read from the evidence:

Q. Do you keep house?
A. Yes, sir.
Q. Alone?
A. Yes, sir.
Q. There is no woman with you?
A. Yes, to keep my house.
Q. What is her name?
Objected to this proof as illegal.
Q. Do you refuse to answer?
A. Absolutely.
Q. Do you swear that you do not live maritally with this woman?
A. It depends on the interpretation of the word "maritally.'
Q. That you live as man and wife with her?
A. What do you mean by that?
Q. You must know, I am not obliged to explain.
A. If you ask the question, I shall answer.
Q. You cannot answer the question?
A. I do not know your interpretation.
Q. You do not know what it is to live maritally with a woman?
A. Not from the legal point of view.
Q. You have travelled with this woman?
A. Am I obliged to answer? that is what I want to know.
Q. Do you refuse to answer?
A. No, sir.
Q. You have travelled with her?
A. Yes, sir.
Q. Where did you go with her?
A. To the United States.
Q. Did you go to Europe?
A. I refuse to answer. I have travelled seven (7) months.
Q. Always with the same woman?
A. No, sir.
Q. You had another?
A. Certainly.
Q. How long have you been with this one, the one that you are living with?
A. I refuse to answer.
Q. How long have you been with the other?
A. Which other?
Q. I do not know. Do you refuse to answer?
A. It is impossible for me to answer that. I do not know which.
Q. You have had many?
A. Naturally.
Q. Many?
A. Many.
Q. Here, at Montreal, have you told us how long you have been with this woman?
A. At Montreal, since 1915.

Here are extracts from the evidence of the wife, taken on the 11th day of March, 1919, at Montreal:

Q. You live with Mr. V. S. Perry?
A. Mr. V. S. Perry boards with me.
Q. Is it not true that you have been living in adultery with him during the last five (5) years?
A. It is false, absolutely false.
Q. Have you ever had carnal relations with Mr. Perry?
A. Never.

[Mr. Stein.]

The evidence goes on to say:

Q. Now, have you ever told your husband that you were living with Mr. Perry?
A. No, never.

The husband, before the Divorce Committee, stated that his wife had admitted to him having committed adultery. Of course, he does not use those words, but he alleges that she has admitted, to him, having lived with the man in question. Before the Divorce Committee two witnesses, a sewing girl and a man of 84, a janitor, appeared on behalf of the suppliant, the husband, but neither of them was able to prove anything definite. They said they had never witnessed anything that would make them believe that Mrs. de Martigny and Mr. Perry were living as man and wife. On April 23, 1919, judgment was rendered by the Superior Court at Montreal, holding that de Martigny had not proven adultery on the part of his wife. In the month of June, 1920, an action was again taken in the Superior Court by the mother of de Martigny to obtain the custody of the minor child, a little girl of eight years. Again the court held that adultery with Perry had not been proven and refused to give the custody of the child to the grandmother. In two instances Mrs. Perry was allowed alimony by the Superior Court—$75 a month in the first instance, which was increased to $125 a month on the second petition.

Mr. MICHAUD: Was it not Mrs. de Martigny who was granted the alimony?

Mr. STEIN: Yes.

Mr. MICHAUD: I think you said Mrs. Perry.

Mr. STEIN: It was a mistake on my part; it was Mrs. de Martigny who obtained the alimony. Now, in the action brought against Mrs. de Martigny by her husband as well as in the attempt of the suppliant's mother to obtain the custody of the child, the Superior Court ruled that no adultery had been proved against Mrs. de Martigny, and I think that if hon. gentlemen will read the evidence that was submitted to the Divorce Committee they will come to the conclusion that this is not a case in which a divorce should be granted.

Mr. PARENT: I do not need to add very much to what has been said by the last speaker. I desire, however, to call the attention of the committee to what took place before the Private Bills Committee in regard to this particular divorce Bill. At the

last meeting of the committee when the present Bill was before it a gentleman named Mr. Dussault appeared. He is an attorney of Montreal and the brother-in-law of Mrs. de Martigny. He stated that he was in a position to offer further evidence showing that Mrs. de Martigny had never committed the offence charged against her, but that the man himself had committed adultery. He therefore wished the Private Bills Committee to reopen the case in order to give this evidence so that a stigma might not remain on the statutes of Canada against Mrs. de Martigny. He also stated that there is a child in the case, and that if the accused woman did not see fit or proper to appear before the Senate Committee, he, as the uncle of that child, had the right to come and bring forward evidence showing that the mother of the child is a good and honest woman, and that she is not guilty of adultery although the Senate committee found that she was. For reasons unknown to me the Private Bills Committee refused to reopen the case and hear the further evidence offered. I did my best to induce the committee to take a contrary course, but was unsuccessful. The Private Bills Committee took the ground that if the woman had anything to say in her own defence she should have appeared before the Senate Committee and established her innocence. Even so, in my humble judgment the Private Bills Committee of this House should act, in a sense, as a court of revision and correct any errors made by the Senate Committee if such have been committed. That was the view I took before the Private Bills Committee and that is why I think this committee should be made aware of all the facts in connection with the matter. A recital of all the circumstances in the case will show, if no other result is achieved, that this woman has not been guilty of what has been alleged against her. Hon. gentlemen may not be aware of a certain procedure which is generally followed in our courts of justice in the province of Quebec. We have there what is known as an action for separation as to bed and board. In the present case Mrs. de Martigny sued her husband for alimony. Such actions for separation as to bed and board are generally granted when it has been established that adultery has been committed by the husband. As a result of those proceedings the action taken by Mrs. de Martigny before the courts of Montreal was sustained and in 1912 the husband was obliged to pay her alimony to the amount of $100 per month.

Mr. MICHAUD: If the woman had been guilty of the offence charged against her she would not, as I understand, have been entitled to alimony according to the laws of the province of Quebec?

Mr. JACOBS: No, that is not right. She is entitled to it whether she is guilty or not.

Mr. PARENT: In the case referred to evidence was given which proved beyond a doubt that de Martigny was guilty of adultery, and that while he was defending the proceedings brought by his wife he had openly been keeping a mistress in Montreal for four years. This evidence is very clear and distinct, and every fact in that regard which I am now making is fully established by the stenographer's transcript of the evidence taken before Mr. Justice Duclos in the Superior Court of Montreal.

Mr. CURRIE: On what date?

Mr. PARENT: On February 22, 1912. I will quote, from page 13 of the evidence referred to, the following:

Q. Where do you live?
A. No. 40 McGill College avenue.
Q. Do you keep house?
A. Yes, sir.
Q. Alone?
A. Yes, sir.
Q. There is no woman with you?
A. Yes, to keep my house.
Q. What is her name?
Objected to this proof as illegal:
Q. Do you refuse to answer?
A. Absolutely.
Q. Do you swear that you do not live maritally with this woman?
A. It depends on the interpretation of the word "maritally."
Q. That you live as man and wife with her?
A. What do you mean by that?
Q. You must know. I am not obliged to explain.
A. If you ask a question, I shall answer.
Q. You cannot answer the question?
A. I do not know your interpretation.
Q. You do not know what it is to live maritally with a woman?
A. Not from the legal point of view.
Q. You have travelled with this woman?
A. Am I obliged to answer? That is what I want to know.
Q. You refuse to answer?
A. No, sir.
Q. You have travelled with her?
A. Yes, sir.
Q. Where did you go with her?
A. To the United States.

Then at page 15:

Q. Did you go to Europe?
A. I refuse to answer. I have travelled seven (7) months.
Q. Always with the same woman?
A. No, sir.
Q. You had another?
A. Certainly.

Q. How long have you been with this one, the one that you are living with?
A. I refuse to answer.
Q. How long have you been with the other?
A. Which other?
Q. I do not know. Do you refuse to answer?
A. It is impossible for me to answer that. I do not know which.
Q. You have had many?
A. Naturally.
Q. Many?
A. Many.

Now at page 18:

Q. Here, at Montreal, have you told us how long you have been with this woman?
A. At Montreal, since 1915.

No clearer evidence could be given that this man was living openly with a woman as his mistress, and consequently committed adultery. It has been the practice of the Senate Divorce Committee, I understand, to hold that whenever a man has been guilty of this offence himself he cannot come and ask for a divorce. This is the kind of evidence that Mr. Dussault wanted to lay before the Private Bills Committee. He was denied that right with the result that the Bill in question is now before you. Now let me cite the facts with regard to Mr. Perry. The statement of Mr. De Martigny before the Senate Divorce Committee was to the effect that his wife had admitted to him that she had been living with this man Perry. The same allegation was made before the Superior Court of Montreal. But Mrs. de Martigny appeared before the Superior Court, and here is what she said on that occasion when questioned in that regard—it is a denial of every word uttered by de Martigny before the Senate Committee.

Q. You live with Mr. V. S. Perry?
A. Mr. V. S. Perry boards with me.
Q. Is it not true that you have been living in adultery with him during the last five years?
A. It is false, absolutely false.
Q. Have you ever had carnal relations with Mr. Perry?
A. Never.

And at page 4:

Q. Since how long is Mr. Perry your boarder?
A. Since five years.
Q. Where did you live when he first went with you?
A. On Esplanade avenue.
Q. How long was he there with you?
A. He was there all the time with Mr. Lockward.

Consequently there were two men and the child in the same house with that woman, and her contention is that these two men were boarding there.

Q. How long?
A. When Mr. Lockward got married, Mr. Perry left; he was gone three weeks and as I could not meet my finances, I asked Mr. Perry to come back.
Q. Now, have you ever told your husband that you were living with Mr. Perry?
A. No, never.

I may be mistaken, Mr. Chairman, but it seems to me that if such evidence had been put before the Divorce Committee they would not have rendered the judgment they did render. When we became aware of these facts we thought that if the Private Bills Committee had a chance to hear this further evidence the wife would not be put on the statute book as a woman who had committed adultery.

Mr. ELKIN: May I ask the hon. member a question? If the wife had this evidence in her possession, as she must have had during the trial, why did she not bring it before the Senate Committee?

Mr. PARENT: I do not know what kind of feeling the hon. gentleman has but probably if he were a woman himself and had been dragged through the courts for years, as this woman has been, he would come to the conclusion that she had had enough, and that after the Superior Court of Montreal had declared her innocent there was no necessity for her to go further.

Mr. CURRIE: The hon. gentleman has read evidence given in 1912, but the evidence of the woman's guilt was adduced before the Senate Committee in 1914, two years later. While the evidence given in 1912 may be quite true, the evidence since then is that she had been living with another man virtually as his wife, and she did not appear before the Senate committee to refute that charge which was proved by several witnesses. This committee, Mr. Chairman, can only act on the evidence given before the Senate Divorce Committee.

Mr. PARENT: Does the hon. gentleman wish to put a question to me?

Mr. CURRIE: Has he read the evidence before the Senate committee?

Mr. PARENT: The hon. gentleman has referred to evidence given in 1914. Let me say that in 1919 Mrs. de Martigny came back again before the Superior Court of Montreal for an increase of alimony, which was granted her by the court.

Mr. CURRIE: Did she appear before the Senate committee?

Mr. PARENT: No.

Mr. CURRIE: Then what is all this trouble about? The case was proved be-

fore the Senate committee by three or four witnesses, and I do not see why the House of Commons should now intervene to listen to a lot of outside evidence about her getting alimony. She seemed to be pretty well satisfied to get a divorce.

Mr. PARENT: If the hon. gentleman comes to the conclusion that persons representing a child have no interest in a case of divorce, I do not share his opinion. I believe the child's honour is at stake, and that the mother should not go on record as an adulterous woman, when there is ground to believe that she is not, and I think it is proper for any one to interfere to clear her reputation. That very same case was inscribed in review in 1919, and the mother of Mr. de Martigny,—

Mr. TWEEDIE: Mr. Chairman, I object to this. I do not think we have any jurisdiction to make statements supplementing the evidence given before the Divorce Committee. All we can do is to consider whether on the evidence the Bill should be accepted or thrown out.

Mr. CURRIE: Surely the Quebec courts will protect the child and see that the father maintains it. I do not think the father ever denied that the child was his. He gave this woman alimony right up to date of something like $100 a month.

Mr. PARENT: Do I understand there is a point of order raised, Mr. Chairman?

Mr. CURRIE: Yes. You cannot read other evidence here.

Mr. TWEEDIE: Apparently what the honorable member is introducing for the consideration of this committee is evidence relating to acts of adultery on the part of the petitioner. There is no application for divorce as against the petitioner. We are considering the grounds upon which the respondent, if she had applied, might have herself procured a divorce, or the ground upon which the husband's petition for divorce might have been thrown out. We have only a right to consider the evidence which was taken before the Divorce committee of the Senate, and all we have to do is to determine whether or not in our opinion that evidence is a sufficient ground for a divorce.

The CHAIRMAN (Mr. Steele): Does the hon. member raise that point of order?

Mr. TWEEDIE: Yes, that is my objection.

Mr. STEWART (Lanark): As I understand the procedure of the committee on Miscellaneous Private Bills, of which I am a member, it is not as has been stated by the hon. member for Calgary (Mr. Tweedie), but the committee has the right to hear any new evidence that it thinks pertinent to the issue, and that is the question which was before that committee when the Bill was under consideration.

Mr. CURRIE: Did you hear evidence?

Mr. STEWART (Lanark): No; but the point is we had the right to hear it. As I understand, the question now is whether this Bill should be sent back to the committee on Miscellaneous Private Bills for that purpose. My opinion is that not only has the House the right to send the Bill back, but that the committee has the right to hear any further evidence affecting the issue if the Bill is sent back to them.

Mr. PROULX: Being a member of the Private Bills committee, I have recollection of a few cases years ago where we heard further evidence. So it is not only the right but the custom, and I endorse what my hon. friend from Lanark (Mr. Stewart) has said.

Sir ROBERT BORDEN: As I understand, evidence taken before the Senate committee is translated to the House of Commons for use by the committee on Miscellaneous Private Bills, but there is nothing in the rules of the practice which would prevent the committee hearing evidence to any extent it might desire. Therefore I think it is perfectly competent for this House to send the Bill back in order that further evidence may be heard by the committee.

Mr. MURPHY: I was just about to point out to the hon. member for Calgary (Mr. Tweedie), in support of the position taken by the hon. member for Lanark, that Sir Allen Aylesworth, when Minister of Justice, took the position which has just been taken by the hight hon. member for King's (Sir Robert Borden), and in fact submitted evidence to the House that had not been before the Senate committee or before the Private Bills committee, and the House concurred in the view then presented by Sir Allen Aylesworth.

Mr. CURRIE: There is no question at all about the right of the House to hear evidence before its Private Bills Committee, but since Confederation it has been the unwritten law that we leave this matter to be dealt with entirely by the Senate. It is true that several years ago one or two cases were brought before the

Private Bills Committee and some evidence heard. But we have been in the habit of leaving this matter entirely to the Senate in order to reduce the expense in connection with the granting of divorces. The Senate has a committee which hears the case, tries it and decides it and I think it is inadvisable for this House, whether or not it has the right to do so, to go beyond what has been the custom in this regard. It we do, it will make it necessary for people who are asking for divorces to keep their lawyers sitting around Ottawa for weeks and months. They would go first before the Senate Divorce Committee, where their case is heard; then they would have to wait several weeks until the case came before a committee of this House, where they would have to appear—in the meantime counsel fees and other expenses are piling up in such a way as to make the whole thing ridiculous. To my mind the House should revert to the old practice and let the Senate settle these things. I do not think, therefore, that we should refer the Bill back, and I hope the House will not refer back any more Bills of this kind. If we are going to have three or four trials, we shall simply be piling up expenses for those who petition Parliament for divorces. It is true that we have an absolute right to hear the case, to form a committee to hear new evidence and all that sort of thing, but it is a question of expediency, and to my mind the old method of carrying on is far more satisfactory. I do not think it is fair for us to try this case in the House. The hon. gentleman refers to the 1912 case. He will notice that the evidence in the Senate points out that from 1912 until 1919 this woman had been living with another man.

Mr. ETHIER: I understand, Mr. Chairman, that the discussion is on a point of order. My hon. friend is discussing the merits of the case.

The CHAIRMAN: Does any hon. member desire to speak to the point of order?

Mr. ETHIER: I do not concur in the remarks of my hon. friend from Simcoe (Mr. Currie): I rather agree with those of the ex-Prime Minister (Sir Robert Borden). It is true, as the member for Calgary (Mr. Tweedie) has said, that the Senate has jurisdiction in matters of divorce. But what is the use of the Private Bills Committee of this House, then, so far as divorce Bills are concerned? The Private Bills Committee of this House sits, in a matter of this kind, like a court of review. There is nothing in the rules or practice of the House to prevent the Private Bills Committee of the House from making a further enquête if the facts proved before the Senate Committee do not seem satisfactory. That is why we are now asking that this Bill be referred back to the Private Bills Committee—in order that the enquête may be reopeden, the decision of the Senate Committee appearing to be inconsistent with the facts. The Senate has not an exclusive jurisdiction; if such were the case, there would be no use in having a Private Bills Committee of the House to deal with these matters. If the reports and recommendations of the Senate Divorce Committee were submitted direct to the House, it would be a different matter. But the Private Bills Committee has refused to reopen the enquête and to take communication of new facts which might have been proved but were not proved before the court. One of my hon. friends put a question to the member for Charlevoix-Montmorency a few minutes ago, asking why the woman did not appear before the Senate Committee. The hon. member gave the answer, but I may supplement it. As a matter of fact, this woman was aware—and this was brought out before the Private Bills Committee here, if I am not mistaken—of the Bill going through the Senate, after its third reading. When she heard it was coming before the House she asked through her lawyer that the enquête be reopened in order that she might be allowed to bring before the committee the evidence which she intended to submit.

The CHAIRMAN: I must point out that my hon. friend is not now discussing the point of order.

Mr. ETHIER: I am sorry, Mr. Chairman; I fell into the same error as that of my hon. friend from North Simcoe (Mr. Currie). But I repeat that this House has jurisdiction to refer the Bill back to the Private Bills Committee with instructions to reopen the enquête. I say also that the Private Bills Committee of the House has full jurisdiction to reopen the enquête, to ignore the finding made by the Senate Committee, and, if necessary, to return the Bill to the Senate.

Mr. McKENZIE: As I understand the point of order, it is whether or not evidence taken in another cause, before a court in Montreal, can be read as evidence before this committee.

Sir ROBERT BORDEN: I think the point of order was whether or not a committee of this House to which the Bill was referred can itself take evidence, in addition to the Senate evidence.

Mr. McKENZIE: That is not the way I understand it. Perhaps the hon. member for Calgary will put his point clearly.

Mr. TWEEDIE: The hon. member for Cape Breton North and Victoria (Mr. McKenzie) is correct. My point is that we have no right whatever to consider the evidence which it is now proposed to submit to the Committee of the Whole House. We might refer any Bill back to the Private Bills Committee. I will go further and say this : we are probably bound by the custom which has prevailed in the House in this regard. But the Divorce Committee is a committee specially appointed by the Senate to hear the evidence of witnesses under oath, and before that committee the petitioner and the respondent may be represented by counsel. Now we have no divorce committee in the House of Commons, and these Bills coming from the Senate are referred to the Private Bills Committee. I submit that the jurisdiction of the House of Commons should be limited practically to a consideration of the evidence taken under oath before the Divorce Committee of the Senate and a determination of the form of the Bill. We have no right to reopen the case and hear additional evidence and then, on the ground of that additional evidence heard by the Private Bills Committee of the House, say that we will not grant the divorce. There should be one final determining body on the evidence itself. Then the Private Bills Committee should have the same right as the Divorce Committee of the Senate to weigh the evidence, and the House of Commons should also have that right. But I do not think that either the House of Commons or its Private Bills Committee should have the right, as a matter of justice, to hear further evidence and keep the thing in the air.

Mr. McKENZIE: As I understand the point of order, it is that evidence taken before the court in Montreal is not evidence before this committee; that is, that we cannot in this committee deliberate upon what is absolutely hearsay evidence so far as we are concerned. It was evidence in another court; it was heard and deliberated upon by the judge, but it is not evidence for us. Whether this committee decides to send the Bill back to the Private Bills Committee is not, I understand, the point of order; that wil have to be dealt with as a substantive question by itself. The point of order is whether or not we can hear as evidence before this committee testimony which was taken before the Court in Montreal. If that be the point of order, I suppose it would be well taken.

Sir ROBERT BORDEN: Every one understands perfectly well that evidence taken before a court of justice in Quebec or any other province is not evidence before a committee of this House. The question what is evidence before a committee of this House is, in the first place, a question for the committee itself and not for this committee. That committee must decide what is evidence, and if they go wrong, an appeal can be taken to this House. The point of order, as I understand it, in the first instance was this. Some hon. gentlemen on the other side desired to have this Bill referred back in order that evidence might be given for the purpose of disproving the conclusion at which the committee of the Senate had arrived. I did not understand them to suggest that evidence taken before a court in Montreal would be evidence before this committee. They were giving the fact that evidence of that character had been given in the Superior Court of Montreal as evidence to show that evidence of the same character should be given before a committee of this House. Then the question was raised whether or not it would be competent for that committee to hear such evidence if it should be given in a proper way. My intervention was merely to say that I thought it was perfectly competent for that committee to hear that evidence if it were tendered in a proper way.

Mr. LEMIEUX: I am glad to hear the right hon. gentleman on this point. I share absolutely his views on the matter. I have read the evidence in the present case; I have not only suspicion but practically moral certainty that there has been collusion between the parties, and it would be very interesting to have the case opened up again in order to make the facts clear one way or the other. As the case stands at present, I am morally certain that there has been collusion. I wish I could be at liberty to divulge to the House what the father of the party, whom I would call the defendant in this case, told me on Saturday. I need not say that both parties belong to most respectable families in the province of Quebec. I am informed that there is collusion in this case, and it would serve

the ends of justice if the case were referred back to the committee so that evidence may be heard on that point.

Mr. STEELE: I do not wish to speak on the point of order, but I wish to make a statement on behalf of the Private Bills Committee.

The CHAIRMAN: Order. Has any hon. gentleman anything else to say on the point of order?

Mr. ETHIER: I have something to say on the point of order. As regards the reference to the Private Bills Committee, I agree with the former Prime Minister (Sir Robert Borden). I understand that he is following now the same policy that he followed in 1909. At that time I was Chairman of the Private Bills Committee, and on that occasion a similar Bill appeared before the committee. The principle which we are invoking at present is the same as that which was invoked then in the remarks of the former Prime Minister; it applies to the present case, and to the application made by my hon. friend. This is what was said by the former Prime Minister as reported in Hansard of May 10, 1909, at page 6070:

> Mr. R. L. BORDEN: The Chairman of the Committee on Private Bills, I believe, called attention in connection with one of these Bills, to a tendency towards acting on evidence of a more or less loose character in considering these Bills for Divorce.

In that year there were only twenty-one Divorce Bills before the House. This year there are over a hundred.

> I have already taken occasion to inform him privately that I entirely concur with the view he expressed. I think it is of the utmost possible importance that the evidence upon these proceedings in the Senate should be given and acted upon only in the way in which such evidence would be given and acted upon in a court, and I would most earnestly deprecate any tendency in the Senate or in our own committee when examining the evidence towards a view which would bring a looser condition of affairs than has prevailed in the past. I think these proceedings should be conducted exactly as legal proceedings are conducted in a court, and only such evidence should be received as is strictly legal evidence. Unless there is the clearest possible evidence, and unless that evidence is of a legal character, the Bill ought not to pass the committee and Parliament ought not to concur in dissolving the marriage. Every one who is familiar with the proceedings in courts with regard to such matters, is aware that there are some precautions observed in court which do not seem to have received very much attention in the proceedings of the Senate.

That is the case in this particular instance.

> For example, in Great Britain, and in all the provinces of Canada where any such courts were constituted before confederation and therefore remain up to the present, there is the King's Proctor who attends in court, who cross-examines the witnesses, who is paid by a fee taxed in the costs of the case, and whose especial duty it is to see that the evidence is sufficient and that there is no collusion between the parties.

In this case it is not proven that there is no collusion.

> I do not know to what extent any safeguard of that character has been adopted in the Senate Committee, but I see no reason why every such safeguard should not receive careful attention and consideration in the Senate, and if it be correct, as the Chairman of the Committee on Private Bills has already publicly declared, that there is a tendency towards the granting of divorce upon evidence of a looser and less-satisfying character than that which has been required in the past, I, for one, desire to raise my protest.

Following that principle which the right hon. gentleman has set forth, I do not see why this committee should not accept the suggestion made that this Bill should be referred back to the Private Bills Committee, should we have jurisdiction to reopen the matter.

Mr. CURRIE: That is not the point of order.

Mr. ETHIER: I concur in the contention that we have no right to receive as evidence before this Committee of the Whole the evidence given before the Court in Montreal. I understand that my hon. friend stated as his point of order that we had the right, but that it was not customary for this committee to refer the matter to the Private Bills Committee. We have the right and jurisdiction, and I say on this ground the point of order should be dismissed.

The CHAIRMAN: There are evidently two points of order now before the Chairman awaiting a ruling. First is it competent for this committee to refer back to the Private Bills Committee for further consideration and for the hearing of further evidence, a Bill reported to this House by that committee? A difference must be made between the powers of this committee and the powers of the House of Commons. This committee has no right to refer a Bill back to any Select Standing Committee. But the House of Commons has the absolute right to refer a Bill back to any Standing Committee of the House, with whatever instructions the House may deem fit to give to the said committee.

3 p.m. While it is not customary for the Private Bills Committee of the House of Commons to hear

evidence in divorce cases, there is no doubt whatever that it has the right to do so. The second point is: Have hon. members the right to read in Committee of the Whole, evidence that was submitted in a Court of Justice in the city of Montreal? I have no hesitation in deciding that question in the negative. Hon. members have no right to submit as evidence to the Committee of the Whole House evidence which was not taken before a committee of the House or Senate and which was not accepted as evidence by the Committee on Private Bills of either House.

Hon. members have the right to refer to this evidence to the extent required to explain why it may be their intention at a later stage to move that the Bill be referred back to the Select Standing Committee on Miscellaneous Private Bills if it is reported by the committee, but I think that the reading of a portion of such evidence for this purpose, would be much more in order upon the motion to refer the Bill to the committee for further consideration.

Mr. STEELE: As chairman of the Private Bills Committee I would like to make a statement to the committee regarding this Bill. I may say that for some years past, the Private Bills Committee has each session appointed a sub-committee to attend the sessions of the Divorce Committees of the Senate to hear the evidence submitted there, so that they may be in a better position, perhaps, than the other members of the committee to decide whether or not the Divorce Bills that come before the Private Bills Committee should be passed. That was done this session. Some members of the Private Bills Committee attended the sessions of the Senate Divorce Committee and heard the evidence in this case. When the Private Bills Committee met on Friday, when this case was called for consideration, Mr. Dussault, of Montreal, appeared before the committee, and the committee at his request very courteously gave him an opportunity to state his case. Mr. Dussault stated that he did not appear for the respondent; he appeared, if for any person, for the child. The committee heard his statement for a time, heard him state reasons why the Bill should not pass until he at length desired to lay before the committee evidence taken before the courts in Quebec province. At that stage the committee decided that they could not receive such evidence, and in view of the fact that Mr. Dussault did not represent the respondent, nor of course the petitioner, who were the only parties who could properly be represented before the Private Bills Committee in this case, the committee decided that it was not necessary to hear him further. The committee took the ground further that the evidence as received before the Senate Committee was sufficient to warrant the passing of the Bill. It was pointed out to the committee that, if they chose, further witnesses could be called and further evidence heard, but the majority of the committee—there was no formal vote taken—evidently were satisfied with the evidence that had been taken before the Senate Committee, and for that reason they passed the Bill as we have it to-day. Whether or not they were warranted in doing so is probably a matter of opinion, but it is the fact that the committee did pass this Bill, as they have passed many Divorce Bills, believing that the evidence before the committee was sufficient. I think the committee acted quite properly in refusing to accept the evidence given before the Quebec courts, and I am very glad, Mr. Chairman, that the action of the committee in that regard has been supported by your ruling. The committee, I think, extended every courtesy to Mr. Dussault, and while I may have my own personal opinion as to the advisability of granting divorces in many of these cases, I feel that in this particular case I could not go contrary to the decision of the committee.

Mr. PARENT: I do not know what is going to happen to this Bill, but before it goes any further I want to put on record further evidence, being copies of judgments, in French, rendered in the courts of Montreal.

Mr. CURRIE: I think the Chairman has ruled that out of order.

The CHAIRMAN: I must ask the hon. member before he reads this evidence given before a court in Montreal what he intends to prove by the reading of such evidence, and what his object is in placing that evidence before this committee.

Mr. PARENT: I am producing these copies of judgments rendered in the Montreal court to sustain the view I have already expressed that the woman in question has not been fairly treated by the Private Bills Committee.

The CHAIRMAN: The ruling of the Chairman is always subject to reversal by the House, but I would be disposed to rule

that while this evidence and the judgments which the hon. member is now about to submit would be quite in order to support a motion that the Bill be referred back to the Committee on Miscellaneous Private Bills for reconsideration it cannot be used in committee as an argument against the adoption of clause 1 of the Bill.

Mr. LEMIEUX: I am quite certain that no member of this House would like in such a grave matter as this to rush the Bill through without being fully confident that what we are doing at the present moment is the right thing. If it were an indifferent matter I would say at once to my hon. friend the Chairman of the Private Bills Committee (Mr. Steele), that I bow to the decision of that committee and accept their judgment unreservedly. But this is a case, as was stated by my hon. friend, that affects the future of the innocent child. I say further that, according to the information which I have and which has been divulged in part when the question came before the Senate Committee, there is ground for more than suspicion that there has been collusion in this case. Why should we be so intent upon rushing this Bill through now when in a day or so the Private Bills Committee will be satisfied whether or not there is sufficient evidence to warrant the passsing of the Bill? I therefore implore my friends on both sides of the House who do not share my views on the question of divorce to wait patiently until everything has been done to clear the matter up. When that has been done, when it has been proven beyond a doubt whether or not there is a case, the committee will be in position to pass upon the Bill. I appeal to my hon. friends on both sides of the House to follow the lead that has been given us in this matter by the right hon. the member for King's (Sir Robert Borden). The committee will lose nothing by waiting for a day or so until evidence has been submitted to the Private Bills Committee. I had evidence submitted to me on Saturday—I do not refer to the evidence before the courts in Montreal, but I saw in Montreal a party closely connected with the wife—and I am informed that there is collusion in this case. Why should we put upon the statute book an Act of Parliament which will forever dissolve the matrimonial tie which binds these two people. When, perhaps two days from now, the committee will be satisfied whether or not there are grounds for granting a divorce? At all events, if the evidence is not strong enough, the Committee of the House will be at liberty to do as it pleases.

[The Chairman.]

Mr. STEVENS: There is no motion before the committee to refer the Bill back.

Mr. LEMIEUX: Well, I beg to move, seconded by my good friend, the right hon. member for King's (Sir Robert Borden), that the Bill be now referred back to the committee.

Sir ROBERT BORDEN: My hon. friend does not remember the ruling given by the Chairman a little while ago. If it is desired to refer the Bill back to the Private Bills Committee, we shall have to proceed in another way. We must have the Bill reported, and before it is read the third time, some hon. member can move that the order for third reading be discharged and that the Bill be referred back to the Committee on Miscellaneous Private Bills for the purpose of taking further evidence; or some hon. member can move that the Committee of the Whole rise and report progress, and when progress is reported a motion can be made that the order for reference to the Committee of the Whole be discharged and that the Bill be referred back to the Private Bills Committee. The same result would be attained in either case, but you cannot refer the Bill back to the committee at this stage. I am perfectly satisfied, since reading the evidence, that there is ample proof that the woman has been guilty of adultery. It is quite possible that the husband also has been guilty of adultery, and it is equally possible that there may have been collusion. The difficulty about dealing with these questions, in the way they are dealt with in this Parliament, is that the ordinary precautions taken in a court to guard against collusion, are not taken here; and I must confess that sometimes I am a little surprised at the attitude of some of my hon. friends on the other side of the House. If they want to restrict divorce and put proper safeguards around it, then all these questions ought to be referred to the courts, where the necessary precautions can be observed. You cannot very well have these safeguards so long as the present procedure is continued. You have a sub-committee of the Committee on Miscellaneous Bills going over to the Senate and watching the evidence, and, after all, that is little better than a makeshift. There are circumstances in this case that seem to point to the possibility of collusion. What would take place if these matters were relegated to the Court?

The King's Proctor would be there, and would institute an immediate inquiry as to whether or not there was collusion. You would have a subpœna issued by the Court, bringing the woman before the Court, and she would be examined thoroughly and exhaustively in respect of every circumtance that might point to collusion or otherwise. You cannot very well carry out any such procedure as that in the Senate or in a Committee of the House of Commons, but you could take every necessary precaution and exercise every safeguard if these questions of divorce were dealt with in the proper way. I hope the committee will pardon me for this suggestion, which has often occurred to me. Let me repeat again: if it is desired to refer this Bill back, some procedure other than that which my hon. friend from Maisonneuve (Mr. Lemieux), has just suggested, must be adopted.

Mr. LEMIEUX: I move, then, seconded by my good friend from King's, that the committee rise and report progress, and ask leave to sit again.

Mr. GUTHRIE: Mr. Chairman, that will not put us any further ahead than we are now.

The CHAIRMAN: The motion is not debatable.

Motion agreed to on division: Yeas, 49; nays, 42.

Progress reported.

PRIVATE BILLS

CONSIDERED IN COMMITTEE—THIRD READINGS

Bill No. 165, for the relief of Lily Maude McCormack.

Bill No. 166, for the relief of Herbert Henry Brown.

Bill No. 167, respecting certain patents of Autographic Register Systems, Ltd.

Bill No. 169, for the relief of Rose Seigler Schatsburg.

Bill No. 170, for the relief of Eudora Edith Webster Perry.

Bill No. 171, for the relief of John Howard Ferguson.

Bill No. 172, for the relief of Edith Myrtle Barnes.

Bill No. 173, for the relief of Sherman Talmage Smith.

Bill No. 174, for the relief of John Hurst.

Bill No. 175, for the relief of Florence Gibb.

Bill No. 176, for the relief of Nora Beatrice McDonald.

Bill No. 177, for the relief of Mabel Alice Allport.

Bill No. 178, for the relief of Abbie Jane Harris Wigle.

Bill No. 179, for the relief of Walter Edwin Sloan.

Bill No. 180, for the relief of James Leslie Glover.

Bill No. 181 for the relief of William Gordon Gordon.

Bill No. 182, for the relief of Anna Elizabeth Walker.

Bill No. 183, for the relief of Arthur Wilfred Rigby.

Bill No. 184, for the relief of Albert Sydney McPherson.

Bill No. 185, for the relief of Ernest Alfred Ballard.

Bill No. 186, for the relief of William Gladstone Cook.

Bill No. 190, for the relief of Frederick Oxford.

Bill No. 191, for the relief of John Deluce.

Bill No. 192, for the relief of John Samuel Bain.

Bill No. 193, for the relief of Addie Irene Gilbert.

Bill No. 194, for the relief of Ethel Edna Denning.

Bill No. 195, for the relief of Audrey Cleeve Bennett Gibbons.

Bill No. 196, for the relief of Laura Newson.

Bill No. 197, for the relief of Tom Eccles.

Bill No. 198, for the relief of John Chalk.

Bill No. 168 to incorporate the Edmonton and Mackenzie River Railway Company.

Bill No. 189, respecting the Great West Bank of Canada—Mr. Cowan.

Bill No. 188, respecting the Central Railway of Canada.—Mr. Ethier.

FORT SMITH RAILWAY COMPANY

On motion of Mr. Douglas (Strathcona) for concurrence in amendments made by the Senate to Bill No. 53 to incorporate the Fort Smith Railway Company:

Mr. LEMIEUX: What is the nature of the amendments?

Mr. DOUGLAS: They are merely technical changes in the wording to conform with the Railway Act.

Motion agreed to and Senate amendments concurred in.

FROM THE SENATE—FIRST AND SECOND READINGS

Bill No. 207, for the relief of Sarah Ann King.—Mr. Smith.

Bill No. 208, for the relief of Richard John Whitley.—Mr. Porter.

Bill No. 209, for the relief of Herbert Morgan Davies.—Mr. Mowat.

Bill No. 210, for the relief of James Charles Allward.—Mr. Currie.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

POST OFFICE DEPARTMENT—OFFICIALS

Mr. DELISLE:

1. Is the Government pensioning and retiring officials who are sixty-five years of age and over?
2. How many officials are there in the Post-Office Department, Ottawa, who are sixty-five years of age or over?
3. Who are the four new officials appointed in the Post Office Department, according to the recommendation made by Griffenhagen and Company?
4. Is Mr. George Ross appointed General Superintendent? If so, how old is he, and what will be his salary as General Superintendent?
5. How old is Mr. W. J. Johnstone, Financial Superintendent of the Post Office Department?

Right Hon. Mr. DOHERTY:

1. Yes, except in cases where the official is still capable of performing satisfactory service, and where such service is still required.

2. 38.

3. No new appointments have been made. The following promotions have, however, been approved by the Civil Service Commission:

George Ross from position of Chief Post Office Superintendent to General Superintendent of Postal Service.

L. J. Gaboury from position of Chief Post Office Superintendent to Division Superintendent of Postal Service.

P. T. Coolican from position of Post Office Inspector to Division Superintendent of Postal Service.

4. Mr. George Ross was promoted by Civil Service Commission to position of General Superintendent. Age 68. Salary $5,400 as General Superintendent. On account of his wide postal experience, the services of Mr. Ross are, in the opinion of the department, practically indispensable.

5. 66.

TORONTO CUSTOMS BUILDING

Mr. SINCLAIR (Antigonish and Guysborough):

[Mr. Douglas.]

1. Was the Toronto Customs building torn down some time ago?
2. If so, why was this done?
3. Who recommended this step to be taken?
4. Was it rebuilt?
5. How much has been paid in rentals in connection with space required for customs in Toronto since the said Customs building was demolished?

Hon. Mr. McCURDY:

1. Yes.

2 and 3. Owing to the necessity for additional space to house the public services including Customs and Inland Revenue in the city of Toronto, it has for years been urgently necessary to provide additional office room. This condition still exists. Further, according to an agreement with the railway companies, the examining warehouse will have to be demolished when the Toronto viaduct, in connection with the New Union Station is proceeded with. In April, 1919, a decision was taken to begin the provision of additional accommodation and demolition of old buildings on the proposed site, corner of Bay and Front streets, was begun, and a contract was made with the P. Lyall and Sons Construction Company for the excavation for the new building, pending the completion and calling for tenders for the superstructure. So soon as construction and financial conditions permit it is planned to proceed with the erection of the superstructure.

4. No.

5. Rentals paid to May 1, 1921, $53,492.13.

UNOPPOSED MOTIONS FOR PAPERS

Mr. ROSS for Mr. ARCHAMBAULT:

For a copy of all letters, correspondence and other documents exchanged between the Health Department and J. A. Foisy, proprietor of the Dominion Drug and North Eastern Drug, Limited, and Pharmacie Fédérale, and all correspondence and letters regarding the said Foisy, specially letters from Z. Cardinal and report from Federal Police McMillan.

Mr. ROSS for Mr. CHISHOLM:

For a copy of all letters, telegrams, correspondence and other documents referring to the change of the mail route from the railway to Marble Mountain, Inverness county.

BANKRUPTCY ACT

Hon. HUGH GUTHRIE (Acting Solicitor General) moved that the amendments made by the Senate to Bill No. 118 to amend the Bankruptcy Act, be concurred in.

Motion agreed to.

ARMISTICE DAY

On motion of Hon. Hugh Guthrie (Solicitor General) Bill No. 119 respecting Armistice Day, was read the second time, and the House went into committee thereon, Mr. Boivin in the Chair.

On section 2—Armistice Day a holiday:

Mr. BUREAU: Mr. Chairman, I thought this Bill was originally introduced by the hon. member for South Renfrew (Mr. Pedlow). I should like to know if there is any particular reason why it should be taken over by the Government as a Government measure?

Mr. GUTHRIE: I think last session a Bill having a similar object was brought forward by the hon. member for South Renfrew, but was not passed. This session a similar Bill was introduced by my hon. friend from Parkdale (Mr. Mowat). In regard to section 2, I would suggest—

Mr. BUREAU: That does not answer my question. What is the reason for the the Government taking this Bill over?

Mr. GUTHRIE: The session was so far advanced before the Bill reached its second reading that in the ordinary course it could not be passed unless the Government took it over. The Government approved of the principle of the Bill, and it is hoped that the committee will approve it.

Mr. JACOBS: The Government is simply robbing the hon. member for South Renfrew of his own little ewe lamb.

Mr. GUTHRIE: No. I am sure we will be glad to accord the hon. member for South Renfrew any honour to which he may be entitled for having been the first to make the suggestion last session.

Mr. JACOBS: It indicates that the Government is two years behind those on this side of the House in adopting good legislation.

Mr. GUTHRIE: Coming to section 2, I submit to the committee that the language might well be amended by striking out the words in the eighth line "by which Canada was delivered from her enemies." If words to that effect are to be inserted, I would rather substitute "by which Canada triumphed over her enemies." But I think it would be better if we eliminated the words altogether.

Mr. JACOBS: How would the section read then?

Mr. GUTHRIE:

Throughout Canada in each and every year the Monday in the week in which is the eleventh day of November, being the day in 1918 in which the Great War was triumphantly concluded by an armistice, shall be a legal holiday and shall be kept and observed as such under the name of Armistice Day.

That is the way it will read if the amendment carries.

Sir ROBERT BORDEN: I should think that instead of the word "is" in the sixth line the words "shall occur" should be substituted; it is the future tense.

Mr. GUTHRIE: I think that would be better. That may be incorporated in the amendment.

The CHAIRMAN (Mr. Steele): Mr. Guthrie moves that clause 2 of Bill 119 be amended by striking out the word "is" in the sixth line and adding the words "shall occur" after the word "November" in line 7, and by striking out the words "by which Canada was delivered from her enemies" in lines 8 and 9.

Amendment agreed to.

Mr. PEDLOW: Mr. Chairman, the Solicitor General is not quite correct in stating that this measure was introduced by me last year. In the first session of 1919, that which immediately followed the cessation of hostilities, I proposed the following resolution, which appears as No. 37 on page 25 of the Order Paper of Monday, April 7:

That, in the opinion of this House, November 11 of each year should be set aside as a day of national thanksgiving, to be a perpetual memorial to the signing of the armistice, ending the great world war.

Almost immediately after that resolution appeared on the Order Paper the press of Canada from one end of the country to the other commented favourably on the proposal. But for some years prior to that time, at the request of the Commercial Travellers' Association of Canada, Thanksgiving Day had been observed on the Monday of the week in which that holiday ordinarily occurred. A delegation of commercial travellers came from Toronto to Ottawa, bringing with them the secretary of their association, and interviewed me with a view towards seeing whether I would not adopt as the holiday the day on which the armistice was signed, which was the second Monday in November, instead of adopting the date, November 11. In my judgment it mattered very little

whether the exact date or the exact day was named; either would serve the idea I had in mind, and the naming of the day instead of the date would, at the same time, meet the wishes of this large and influential body of citizens. In view, therefore, of the representations then made I had no hesitation in adopting the suggestion, and instead of proceeding with my resolution as it appeared on the Order Paper I introduced, on April 9, 1919, Bill No. 66, "An Act respecting Thanksgiving Day." This Bill was prepared by the parliamentary counsel, so I presume it was in proper form. The Bill was as follows:

1. The annual thanksgiving day, heretofore held on a day fixed by proclamation of the Governor in Council, shall hereafter be held on the second Monday of November in each year, as a perpetual memorial of the victorious conclusion of the recent war, in addition to such other reasons as may be prescribed by proclamation of the Governor in Council for that purpose published; and paragraph (11) of section thirty-four of the Interpretation Act, and paragraph (a) of section forty-three of the Bills of Exchange Act, chapters one, and one hundred and nineteen, of the Revised Statutes of Canada, 1906, are amended by adding "Thanksgiving Day" to the lists of holidays and non-juridical days, mentioned in the said paragraphs.

This Bill received its first reading in the first session of 1919. I endeavoured to have it proceeded with during that session but without success. However, during the second session of 1919, on September 4, I introduced a Bill in exactly the same form, Bill No. 2.

The CHAIRMAN (Mr. Steele): I would direct the hon. gentleman's attention to the fact that clause 2 of the Bill is under consideration. I am afraid he is wandering away from that clause.

Mr. PEDLOW: I am keeping as close as I can to clause 2. I wish to give the reasons for an amendment which I intend to propose, and my remarks are all leading up to that point. Shall I proceed, Mr. Chairman, along that line?

The CHAIRMAN (Mr. Steele): Perhaps the hon. gentleman would reach the conclusion without laying the foundation.

Mr. PEDLOW: It is necessary that I should proceed in this way, because the Solicitor General, who has charge of this Bill, has stated that it was introduced at the last session, which is not correct, and I want to show the history of the Bill. Now, Bill No. 2 was passed through several stages in the second session of 1919 and was brought down to the third reading.

[Mr. Pedlow.]

On the third reading a difficulty arose through the fact that the Bill had been amended in committee and it was my desire that it should be again referred back for consideration. The member for South Perth (Mr. Steele) on that occasion, moved the six months' hoist, and the motion was carried by the small majority of five. I felt then, as I feel to-day, that the Bill as originally introduced by me had many features of merit and was deserving of better consideration at the hands of the House. I felt, and still feel, that the opposition to the Bill was not in accordance with the best traditions of this House. It seemed to be the determination of hon. gentlemen opposite that because this Bill had been introduced by a member of the Opposition, it should be thrown out. In that connection I should not include all hon. gentlemen opposite, because I noted with pleasure that several leading members and supporters of the Government approved of and voted for the measure as introduced by me at that time. It was a great pleasure to me to have had that support, but on that occasion there was, on the Government side of the House, a certain circle of members who seemed to be seized of the idea that it was an intolerable situation for a member of the Opposition to get away with a proposition of this kind. Consequently, the order went forth that the Bill must be killed in the final stages, so the executioner came along and the hon. member for Perth South was the chief executioner on that occasion.

Mr. McMASTER: To administer poison.

Mr. PEDLOW: It was not a slow poison, I can assure the committee, because it was sudden death on that occasion. From that time to the present, there have been appeals from one end of the country to the other for reconsideration of this matter, and last Armistice Day the appeal was so insistent that it evidently had its effect. I am sorry that Canada was denied by a small majority of her representatives the privilege of observing Armistice Day on the first anniversary of that event and of continuing the observance for all time to come. Armistice Day appealed to me, not for the purpose of observing a great victory over our enemies, but for the purpose of observing a cessation of the hostilities that had raged so long in the great world war. To-day I do not see any reason why the change suggested by the hon. member for Parkdale (Mr. Mowat) in the first instance this year, and the Solicitor General (Mr. Guthrie), who

has taken over the measure on behalf of the Government to see it through on the present occasion should be made. I understand, in a general way, that the change is made out of regard for the feelings of the hon. member for Brantford (Mr. Cockshutt), who was one of the strenuous opponents of my proposition in the first instance. I do not see any reason why the proposition as introduced by me in the first instance should be changed now. The change does not add to clearness in the matter, and, as a matter of fact, it makes the proposition so indefinite and roundabout that one would have to do some figuring before he could reach a definite conclusion which day was intended to be observed. If you, Sir, will follow me in reading the second clause of the Bill, I think you will come to the same conclusion. I think you are clear enough in vision and intelligence to do so. The clause reads:

Throughout Canada in each and every year the Monday in the week in which is the eleventh day of November, being the day in 1918 in which the Great War was triumphantly concluded by an armistice by which Canada was delivered from her enemies, shall be a legal holiday and shall be kept and observed as such under the name of Armistice Day.

That phraseology reminds me of the Irishman's clock, one of those old wag-of-the-wall on which you pull a chain in order to wind it up. Some of the older members of the House may have seen an instrument of that kind. By the way, the clocks around this chamber remind me somewhat of the incident to which I am referring, because no two of them are ever at the same time.

Sir GEORGE FOSTER: They are on opposite sides.

Mr. PEDLOW: The priest made one of his usual calls at the house of this countryman of mine, and he looked up at the clock and he said to Pat: "How do you tell the time of day by your clock? It does not seem to be in harmony with the correct time." Pat replied: "Your reverence, that's aisy; when the hands point to a quarter past two, then she strikes nine, then I know it is half past six." That is about the position of affairs in this Bill. When the eleventh day of November appears in the week, then it is quite easy to figure out when Armistice Day will occur, if you know how.

My proposition—to get down to brass tacks—as the hon. member for Peterborough West (Mr. Gordon) suggests, is this. I beg to move that clause 2 be further amended in the following way; that all the words between the word "year" in the fifth line and the word "being" in the seventh line be struck out, and the following be inserted instead: "On the second Monday in November," so that the clause will read:

Throughout Canada in each and every year on the second Monday in November, being the day in 1918 in which the Great War was triumphantly concluded by an armistice by which Canada was delivered from her enemies, shall be a legal holiday and shall be kept and observed as such under the name of Armistice Day.

I sincerely trust the acting Solicitor General and others supporting him on the Government side of the House will see the reasonableness of this proposition. It will make this Bill so much more clear and definite, and it will name the day on which armistice was signed. The Bill as drafted names neither the exact day nor 4 p.m. the exact date. In my judgment, it would be in the interest of the country in general if my proposition was accepted and the Bill as originally drafted and presented to this House in 1919 were accepted by the Government. I do not see that they have anything to lose in accepting my proposition now, and I am sure the country will approve my suggestion because it will make the definite day on which the armistice was signed the day of observance for all time to come. The proposition as embodied in the Bill before the committee does not do so.

Mr. MACKENZIE KING: Might I suggest that, perhaps, the purpose which my hon. friend has in mind in making a little more clear the particular Monday in November for taking the holiday, would be met if his amendment were accepted by the committee, with the insertion after the words "being the day," of the words "of the week in that month."

The clause would then read:

Throughout Canada in each and every year on the second Monday in November, being the day of the week in that month in 1918, in which the great war was triumphantly concluded by an armistice, shall be a legal holiday.

And so forth. It is just a matter of words, but I think this wording is better.

Mr. GUTHRIE: I think the words in the clause are much more clear than the words read by my hon. friend. This year the second Monday falls on the 14th, and that is considered too late in parts of the Dominion of Canada to hold Thanksgiving Day.

Mr. PEDLOW: I would accept the amendment moved by the leader of the Opposition (Mr. Mackenzie King), and in answer to the Acting Solictor General, I beg to inform the committee that the difference in time is so trifling that it is not worth arguing over. Uuder the proposition as suggested by the Solicitor General the earliest that the holiday can be is the 6th of the month, and the latest is the 12th. Under the proposition as I have made it—and for the sake of clearness and directness I appeal to hon. members to accept it—the earliest it can occur is the 8th and the latest is the 14th. The main reason for the difference being made is that the Government will not accept the proposition from the Opposition, and I think it is an unworthy one.

Mr. CURRIE: I do not want to prolong the debate, but I would say the earlier the date, the better. Most sportsmen in Ontario are off hunting the first couple of weeks in November, and they want a holiday when the weather is good. Also for a holiday during which there can be any movement of troops, the earlier the date the better; so much so, that for years in view of the fall manœuvres in Ontario, Thanksgiving was shifted on to the middle of October. I think the amendment is shifting the date too far back. I would rather have the Government date than a week later.

Mr. PEDLOW: My hon. friend scarcely understands my point. The difference is only two days at the most. The latest it will be held, under the Bill as introduced, is the 12th of November, and, under the amendment, the 14th; the earliest it will be held, under the Bill, is the 6th, and the earliest, under the amendment, the 8th. There is only a difference of two days in either case.

Amendment negatived.

Section agreed to.

Bill reported, read the third time, and passed.

SUPPLY

The House again in Committee of Supply, Mr. Steele in the Chair.

The Air Board—salaries, $75,000; contingencies, $25,000; Civil Aviation, $700,000; Canadian Air Force, $825,000.

Mr. McMASTER: Just what is this for?

Mr. GUTHRIE: As the committee is aware, an Air Board was established by legislation in this country in the spring, I think, of 1920. Last year was practically the first year of our operations, and was largely taken up with the work of organization and of getting ready. The amount expended last year was considerably in excess of the amount asked for this year, by something like $375,000. There are two branches of the Air Service, the Civil Aviation Branch, and the Canadian Air Force, which is an adjunct to the military service of Canada. The four items which appear in this Estimate fairly represent the work of the Board and the expenditure of the money. Our salary list amounts to about $75,000, and we have 106 employees.

Mr. EULER: What is meant by "Civil Aviation?"

Mr. GUTHRIE: It is work in connection with civil flying, purely and simply. We are attempting to do, in fact last year we accomplished, considerable work in what might be called research or exploration. The board has established provincial boards throughout the Dominion, the presiding officer of these provincial boards being the Lieutenant Governor of the province. The provincial board meets periodically, discusses the situation in regard to its own province, and makes recommendations to the Government. Several of the provinces have agreed with the Air Board to stand half the expense of all flying operations undertaken within their territory. We have such an agreement with the province of British Columbia, with Alberta, and, I think, although I am not sure,—I could ascertain the fact readily —with the province of Ontario. The Board did a lot of valuable work last year in the province of Quebec. It surveyed all the northern part of Quebec from Lake St. John for a distance of 250 miles north, and I believe that the results obtained in two weeks, flying operations were far better than the work accomplished during five years of progress on the land. Air photographs have been taken of all that territory, showing the location of the lakes, the rivers, and the timber areas, the photographs being distinct enough to show the burnt timber and to distinguish hard wood from soft wood; in most cases also, it shows whether streams are navigable or not. These photographs were regarded as a great achievement by the Air Force, and were welcomed by the province of Quebec. In British Columbia, we do fire ranging, and some exploration work on the coast, and we are also establishing a station there in connection with timber in the railroad

belt. As the House is aware, the Dominion of Canada owns a very valuable block of timber in the heart of British Columbia. In Alberta, something is being done in the exploration of the northern territory; the work there has not been as far advanced as it has been in the province of Ontario. It is hoped that during the coming season the Air Service will be of the greatest assistance in connection with the surveys of oil lands, etc. They are making preparations now in that respect, although actual work has not yet been begun. Work is also being carried on in connection with fire ranging in the Rocky mountains. This is all a part of the work of the Civil Aviation Branch. In addition, an air line has been mapped out across the continent, and certain landing stations have been erected. But the policy has not been to establish such stations at the expense of the Dominion; the municipalities desiring landing stations must establish them; the Board locates them and leaves it to the municipalities to decide whether they want landing stations established at these places. As the committee is aware, we received a very large number of aircraft from the British Government at the conclusion of the war. We have not been required to purchase much in the line of aircraft equipment, although year after year our equipment will become more and more obsolete. New inventions are taking place almost monthly, and certainly quarterly. Great improvements were made last year over the year before, and I anticipate that as time goes on there will have to be an appropriation for new aircraft. The figures to-day, however, do not contemplate such an appropriation. We are practically operating now with machines given us.

Mr. EULER: How many airships are in commission in the two services, respectively, and how many men are employed?

Mr. GUTHRIE: I do not know that I can give the number of machines that we have at present; there are a large number of them not actually in operation, not having yet been fitted up for the purpose. The following machines have been erected and tested: 12 D.H. 9A's.—These are technical terms—12 S.E. 5 A's; 43 Avlo, 135 h.p.; and 6 D.H. 4. We have 105 civil employees, and we have taken over Camp Borden, which is our military air centre, and fitted it up as an aviation station. We have there an air superintendent, a superintendent of engine repair shops—

Mr. CAHILL: What are their salaries?

Mr. GUTHRIE: The following is a list of these employees:

Air Foreman Mechanic	2,040
Superintendent of Engine Repair Shops.	2,940
Air Pilot and Navigator	2,460
Air Foreman Mecanic	2,040
Air Foreman Mechanics (3) each	1,800
Four Air Riggers...at	1,620
Nine Air Riggers...at	1,320
Five Engine Fitters...at	1,620
Ten Air Engine Fitters...at	1,320
One Air Fabric Worker...at	1,080
Two Carpenters...at	1,080
One Motor Transport Driver...at	1,080
One Sign Painter...at	1,080
Two Clerk-Stenographers...at	960

Mr. CAHILL: Is that in the civil force?

Mr. GUTHRIE: That is all in the military force.

Mr. CAHILL: Have you the civil force?

Mr. GUTHRIE: The civil force totals 105. In the operations branch we have 16; in the certificates branch, 6; headquarters, Canadian Air Service, 7; secretary's office, 2; technical branch, 5; equipment branch, 17; medical branch, 2; accounts branch, 27; intelligence branch, 8; records branch, 15.

Mr. CAHILL: What is the reason for the increase of 50 per cent in salaries over last year?

Mr. GUTHRIE: The chief increase is due to increase in staff. These salaries are fixed by the Civil Service Commission, under whom all appointments are made. In connection with the mechanics, it must be remembered that there are at Camp Borden a large number of expert men. In one or two instances we could not get any men in Canada; we had to bring them from Great Britain. These are the highest type of artisans, and as a rule they call for more than the ordinary artisan's salary. They are expert and highly trained men.

Mr. EULER: Is there any system of allocating the civil aviation force to the various provinces?

Mr. GUTHRIE: That is done in accordance with the demands made upon us.

Mr. EULER: By whom?

Mr. GUTHRIE: By the provincial associations, with the concurrence of the Provincial Governments, because, unless the Provincial Government is prepared to stand part of the expense, we do not undertake the work. We have done some work, however, wholly at the expense of the Dominion Government, in Alberta, and, I think, in

British Columbia. The provinces send in their recommendations and we allocate the work according as the staff is available, and as we have the money. The demands on us for the coming season are perhaps a little more than as represented in this vote. I have the particulars and the matter may come to the House on another vote; but I cannot speak with certainty in that regard because it is not settled.

Mr. PEDLOW: Do the Provincial Governments contribute anything to the air force?

Mr. GUTHRIE: Yes, for civil aviation in connection with work done for the provinces in the way of exploration, surveys, fire protection, etc. They enter into an agreement on a fifty-fifty basis.

Mr. CAHILL: Is it the intention to continue the civil air force? When did the Government decide to undertake the work of surveying the different provinces? Is not that work that should be done by the provinces themselves, and not by the Dominion?

Mr. GUTHRIE: This work is not being done for the provinces alone. There are territories of our own, belonging to Canada and not to any province, away to the North, and also in the Railway Belt, in which we operate. Work has also been performed in connection with our coast service. I suppose as time goes on the usefulness of the airship will be demonstrated. Only a few days ago we were asked to act for the Government of the Dominion in connection with customs examinations at Victoria and Vancouver, and if the money is voted by Parliament we will certainly do so. It is charged that there has been a good deal of smuggling of drugs, opium and the like, into Vancouver and Victoria, these drugs being dropped from incoming ships into the ocean and picked up by small vessels; and air craft can be very readily and satisfactorily used not only in the detection of such operations but also in their prevention. We have experimented in that direction and, since our airships have taken part in the work of prevention, that class of smuggling has largely ceased. Then there is work, and a great deal of work, asked of us in regard to Dominion lands by the Department of the Interior. As the House is aware these lands are largely vacant lands and in regard to them a very long programme has been prepared—at least it is now in the shape of requisitions which have not yet been finally passed upon.

Mr. LEMIEUX: My hon. friend says the airship will prove its worth in the years to come. I do not know if my hon. friend has reference to a special class of airships but, as a matter of fact, I thought the success of that invention was proven beyond a shadow of doubt. I happened to be in Europe a year or so ago and every evening after seven I would go from my hotel to the Place de l'Opéra in order to get the London Times which came every day by airship and was delivered in Paris in a few hours. During the Versailles conference I saw that Mr. Bonar Law would not travel otherwise than by airship between London and Paris. I suppose that before long the mails will be transported by airship. Has the experiment not been tried in the United States and was it not successful? I thought it was.

Mr. GUTHRIE: There is no question as to its being successful as a system of transportation but it is practically prohibitive up to the present time on account of the cost. That is the difficulty in the matter of air craft operating between London and Paris; I made inquiries last October in regard to that service. Not only do they carry newspapers and mails, but banks utilize them for the carriage of their more valuable parcels, considering it a more secure method for transporting valuable parcels containing money, jewellery and the like, than the ordinary mail service. But notwithstanding that, the experience of the service up to the present time is that it has not been made a commercial success. Neither has it been made a commercial success by any line operating in the United States. There is a theory—so far only a theory, I believe—that the airship itself will never be a commercial success.

Mr. LEMIEUX: But the word "never" is not in your dictionary?

Mr. GUTHRIE: It will be a most valuable adjunct in naval and military matters and the like. But when we come down to the question of commercial success we will be thrown back on the lighter-than-air craft, not on the airship. The lighter-than-air craft, of course, carries nothing for its own support, while the airship has not only to do that but carry its gasoline for propulsion which attaches so much weight that it cannot take on very much cargo. It may be in time—that is the possibility anyway—that the lighter-than-air craft, not on the airship. That is the hope, and that is the contention

of people who are building such air craft to-day; but I do not think that either kind of craft has yet proved to be commercially successful.

Mr. McMASTER: This resolution is one of the explanations why the national debt of this country has increased one hundred millions during last year. No doubt it is a nice thing to be able to experiment with airships, no doubt they can be put to useful purposes, but it is a question, can we afford it? I say we can't. The minister says that he has got these airships from the Old Country for nothing, but we have all heard of the tale of the young people who were setting up in life and who were ruined by having a fine parlour clock. At first they had to furnish their parlour to go with the clock, and then they had to furnish their dining room to harmonize with the parlour, and so on with the rest of the House. I suppose it is an ungracious thing to look an airship in the wing or a gift ship in the prow, but I wish to protest against this expenditure. I suppose it will be futile, the Government will pass this resolution. But I do protest most energetically on behalf of the tax-laden people —the long-suffering electors of this country—against this waste of money. Perhaps it is not an absolute waste, there will be some good obtained out of it, but we cannot afford it. The country cannot afford this experimenting with civil aviation. I noticed a few days ago, and I think the minister has just referred to it, that they had to stop the operation of a commercial line of airships between London and Paris. Well, if two of the wealthiest nations in the world, only situated a comparatively short distance apart, cannot find enough traffic to make their airships pay then it is an act of madness—and I speak with all respect to those identified with it,—to be going on in this way. We should not spend this amount of money. Of course, as far as the military airships are concerned I would not be opposed to some reasonable expenditure upon them, because if we are to have any military expenditure whatsoever, aviation is one of the branches which has to be maintained; but this civil aviation and this most unsound and unwholesome principle of dividing expenses with the provinces on a fifty-fifty basis, merits criticism. One of the things the Minister of Justice (Mr. Doherty) drank in as a law student was that divided ownerships is a fruitful cause of litigation. Divided control is of the same nature, and we are having far too much of it in this country. We are having too much of this dividing of control with the provinces on this, that and the other thing. The provinces should pay for their own fire protection and we should not contribute to it—we are sufficiently heavily laden and we should simply represent the people of the Dominion as a whole. I do not think there is any use, the House being constituted as it is, in taking up time by insisting upon a division, but I do wish to register emphatic, and I trust well-founded, protest against this vote. It should be cut in half or cut down by two-thirds at least.

Mr. EULER: Can the minister tell us, in connection with the item of $850,000 expended last year, what part was contributed by the provinces?

Mr. GUTHRIE: I do not know that I could give more than an estimate. I would think between $35,000 and $40,000 for four provinces.

Mr. EULER: It is a very large proportion.

Mr. GUTHRIE: That represents the whole cost. The work undertaken for the provinces is paid on a fifty-fifty basis, but the civil item under discussion represents far more than the work undertaken for the provinces. It represents all the work undertaken for the Dominion of Canada. I have a synopsis of the work performed, and if it is deemed to be of interest I shall give it.

Mr. CAHILL: Let us have the synopsis.

Mr. GUTHRIE: Speaking of the province of Quebec it says:

This operation was undertaken at the request of the province of Quebec.

It was established at Roberval, Quebec.

It was established as an experiment to show the value of air craft in forest patrol and survey and to facilitate the exploration of the forest areas north and west of Lake St. John.

The Forestry officers of the Quebec Government have shown the keenest interest in the experiment, and their co-operation has ensured its success.

The free use of a suitable site on the shores of Lake St. John, at Roberval, was given by the courtesy of Lt.-Col. J. A. Scott, of Quebec. Buildings and a slipway were erected by the provincial Government. Two H.S. 2L. machines were flown from Halifax to the station, arriving on July 19th. Flying continued uninterruptedly until the end of October, when winter put an end to the work of the season. The work was carried out under the direction of the Provincial Department of Lands and Forests. Many reconnaissance trips were made; caches were established to allow of patrols being

pushed further afield in future; and photographic surveys were made of the main river-courses in the district.

The provincial authorities have expressed themselves as being fully satisfied with the results of the experiment and have asked for its continuance and extension next season. They are prepared to increase their expenditure on the work considerably, and wish the patrol extended to Lake Mistassini and, if possible, to the shores of James Bay. The total flying time from the station was 73 hours. No accident to personnel or machines occurred.

Operational cost to date, $17,344.34.

That is the Dominion share of the operating cost on that survey. We also have a station at Halifax:

The Naval air stations established during the war at Halifax and North Sydney by the Department of the Naval Service were transferred to the Air Board during 1920 with all aircraft, equipment and material on the stations. As the expense of maintaining two stations on the Atlantic coast was not justified, it was decided that the base at North Sydney should be closed, and that the material there should be transferred to Halifax or other stations, where it was required for immediate use. This work was completed during the summer.

Halifax station has been maintained as an Operations Branch station for the erection and repair of seaplanes. As this station is open all the year round, it provided an ideal location for this purpose. Air-routes suitable for water-type machines lead to all parts of eastern and central Canada. The machines required for operations as far west as Winnipeg can be flown from Halifax in the spring, and back to their base in the fall, for overhaul and repair, before ice forms in these districts. This station also provides a base for combined training with the Naval Service and the local garrison.

Constructional cost to date.. .. .. $ 157 90
Operational cost to date.. .. .. .. 49,248 67

Then we have a station at Morley, Alberta:

The main purpose served by this station is the provision of better fire protection in the Dominion Government Forest Reserve on the eastern slopes of the Rocky Mountains, from the International Boundary north to the Yellowhead Pass. The havoc caused by forest fires has been very great, and if better control can be obtained from the air, the expense of the operations will be amply justified. The Forestry Branch of the Department of the Interior are keenly interested in the work and have given the closest co-operation.

An Aerodrome site in the Bow Valley, on the Indian Reserve at Morley was chosen as a base. A Bessoneau hangar was erected in August, and patrols were maintained throughout September and October with excellent results. DH 9A and Avro machines were used. The high speed and reserve power of the former are very valuable in that district, as strong winds are very prevalent and less powerful machines cannot make headway against them. With the co-operation of the Radiotelegraph Branch, Department of the Naval Service, a wireless service between machines on patrol and the base was established. Though the season of greatest fire hazard was over before flying commenced, many fires were reported, and full information as to their exact location, extent and progress was supplied to the Forestry authorities.

The Superintendent of Dominion Parks and the Forestry Officers of the Commission of Conservation, as well as the Chief of the Forestry Branch, have expressed themselves fully satisfied with the results obtained by the introduction of the Air Patrol; they have ask that the services be extended, and that additional patrols be employed this year.

The base of this operation is being changed, this year, to High River, Alta.

Constructional cost to date .. .. .. $ 1,000 00
Operational cost to date.. .. .. .. 45,840 48

I have memoranda on all the stations, but I do not know whether they are of sufficient interest to hon. gentlemen for me to read them.

Mr. MORPHY: What does the minister mean by "control from the air?" Is there any application of fire extinguishing elements in connection with the air service?

Mr. GUTHRIE: No. I know of no control except to discover and locate fires and report them. I suppose the aeroplanes could land if suitable landing places were available, but that is not the object of the survey.

Mr. EULER: I understand that of the amount expended last year only $35,000 was for provincial purposes, and was divided on a fifty-fifty basis. I should like to know what possible reason there is why the provinces should not pay in full the moneys expended for their own particular puprposes. I can understand why there should be co-operation with the provinces so long as we have these aeroplanes, but I do not understand why when we do discharge certain duties for them we are not repaid the whole cost.

Mr. GUTHRIE: I suppose the matter was in an incipient stage when it was taken up last summer and the Air Board wanted to demonstrate what it could do, while the provincial authorities may have been a little sceptical. At any rate we thought we had established a fair bargain as the work done was in the general interest of Canada.

Mr. JACOBS: I understand this is provincial property that we are guarding.

Mr. GUTHRIE: Only part of it—not in the West.

Mr. JACOBS: For instance, the province of Quebec has more money than the Federal Government has or will have for some considerable time to come, due I suppose to the fact that we have had twenty-five years of good Liberal administration there. Why should we go to the assistance

of an authority highly solvent while we are on the brink of bankruptcy? It seems to me we are doing something which we have no right to do, and that we ought to protest vigorously against it. The province of Quebec needs assistance from no authority, and probably next year it will have a large surplus which it will be prepared to lend to the Federal Government at a fair rate of interest. I have not heard from the minister any valid reason why we should assist an authority which does not require our assistance. The property which is being preserved in this way belongs peculiarly to the province of Quebe. When the provincial authorities sell these timber limits they do not divide their profits with the Federal auhorities, and why in the name of everything that is sane and sensible we should be called upon to assist the province in any way is something that I cannot understand.

Mr. GUTHRIE: It may be that the matter should be reconsidered to see if we canont charge a higher proportion, if not the whole, of the cost to the provinces who request us to do the work. Quebec has gone into this work, I think, to a greater extent than any of the other provinces. It welcomed the idea, and we have gone ahead and demonstrated what civil aviation can do. As far as I know we have not done any fire ranging, only surveying and reporting on timber, water powers and the like, but the work has been pretty largely for provincial purposes—

Mr. JACOBS: Precisely.

Mr. GUTHRIE:—and it might be well for us to reconsider whether we should continue the work unless the provinces pay the whole cost. However, last year we went into it on a fifty-fifty basis. We have not actually entered into any agreements this year, and that matter might be worth considering. There are provinces where all the natural resources belong to the Dominion; of course that would be a different matter.

Mr. CAHILL: Has the minister given any consideration at all to the question of cutting down this Estimate? It would seem that the heads of the branches in each department come to a decision as to how many men they can employ; they make recommendations accordingly to the minister, and the minister simply adopts them. Perhaps the Minister of Trade and Commerce (Sir George Foster) could tell us how soon we shall be in a position to employ everybody in Canada, taxing ourselves accordingly. It seems to be the object of the Government to get to that position as soon as possible. I am sure that we could save several hundred thousand dollars on this vote without doing any harm to the people; on the contrary, a substantial reduction would result in a great deal of benefit to the people.

Mr. GUTHRIE: I think I can honestly say that I did use the pruning knife on this item.

Mr. JACOBS: Use it some more.

Mr. GUTHRIE: The expenditure under this head will have to progress with time; if we are to keep up with all the modern inventions that come out we must prepare for a considerable increase from year to year. We did not increase it this year; as a matter of fact, we cut down the personnel and stopped seventy-five per cent of the proposed operations. The figures ran to about four millions before the pruning knife was applied. At the present figure I think we have cut down pretty nearly to the limit, if we are to go on at all. It may be the view in some quarters that we should not go on at all. I myself think that now that we have started it would be unwise to stop at this time. We can progress for a while, anyway, and see whether some real result is not accomplished. I believe that in civil aviation the results already obtained justify the expenditure. It has been intimated to me that last autumn fires which might have cost us several millions of dollars were located through these civil air operations and promptly extinguished.

Mr. JACOBS: Where?

Mr. GUTHRIE: In the West, at the mountains. It is possible that these fires might have been put out had we not had the civil aviation, but it is also possible that millions of dollars' worth of timber would have been destroyed. So that there is justification for at least part of the expenditure in actual saving to the country.

Mr. PEDLOW: The minister intimates that the civil aviation is to be credited with certain valuable services. Now, what service does the Canadian Air Force render to the country?

Mr. GUTHRIE: Just the same service as our militia render to the country. You cannot maintain an army or anything approaching it, you cannot maintain a military or naval system of any kind, if you

have not an air force in connection with it. The late war demonstrated, I think, to the satisfaction of everybody, even to the ordinary lay mind, that it was absolutely impossible to operate troops without an air service. All scouting is done by the air service now. All artillery work is directed by the air service, as well as all movements of troops. If you are going to maintain any form of militia at all, you must have some air service in connection with it; otherwise your army would be very little use in time of trouble.

Mr. EULER: Does the $800,000 for the Canadian Air Force bear the usual proportion to total military expenditure?

Mr. GUTHRIE: No.

Mr. EULER: Is it greater or less?

Mr. GUTHRIE: Ours is much less. Speaking from memory, I think the proportion of air expenditure in the United States is 20 per cent of their total military expenditure, and in England I think the proportion is less than 20 per cent.

Mr. PEDLOW: In this appropriation there is an item of $825,000 for the Canadian Air Force and $700,000 for civil aviation. Is it not possible that either one of these branches might be dispensed with entirely and the training necessary in case of emergency made available through one of these two sources?

Mr. GUTHRIE: I do not think that would work out satisfactorily. There is one matter I omitted to mention: the Civil Aviation Branch has, of course, charge of the training of all airmen, the granting of certificates, and the prescribing of all flying conditions. That branch is already kept busy with applications of various kinds. Regulations are passed prescribing the law under which all flying is done in Canada. Just at the moment there is an anomaly in the condition between Canada and the United States. Canada, having become a member of the League of Nations, is bound by certain general regulations applicable to all nations which became parties to the covenant. In the meantime we are providing our own regulations and have notified the United States authorities that their machines flying over Canada must comply with our requirements, notwithstanding the fact that the United States has not become a member of the League of Nations.

Mr. PEDLOW: To what extent is Canada bound in this matter by her membership in the League of Nations?

[Mr. Guthrie.]

Mr. GUTHRIE: Canada has given her assent as a signatory to the covenant of the League of Nations to certain general air rules applicable to all members of the league, and not applicable, of course, to the United States, which has not become a member.

Mr. DUFF: The minister has told us that he is maintaining an air station at or near the city of Halifax. So far as I can learn, that station is absolutely useless, either for commercial or for military purposes. There may be four or five aeroplanes or seaplanes situated there, but they are of no use to the people of Canada. I am sure that the people of Nova Scotia have no desire for an air force or for aeroplanes either in Halifax or anywhere else on the coast of that province. I would like to ask the minister how many accidents occurred during the year 1920, fatal or otherwise.

Mr. GUTHRIE: I could not say with any exactitude. I think there were about eight or nine accidents, three of them fatal, if I remember rightly. Later in the evening I can get the exact number for my hon. friend. The secretary of the Air Board is not in the city this afternoon, but he will be here to-night.

Mr. DUFF: It seems to me that this is a pretty high price to pay for an air service in peace time. If we had war, of course it would be necessary to keep our air service and we would expect to have accidents. But it is a crime to render our very best young men, those from 21 to 25 years of age, liable to be killed or dangerously injured, just for the sake of having in Canada a service which is absolutely unnecessary. I protest against it.

Mr. MACKENZIE KING: I would direct the attention of the committee to the fact that there is an item in this appropriation for contingencies, $25,000. I would ask the minister what amounts are required for the purposes of contingencies that could not be taken out of the vote for Civil Aviation or for the Canadian Air Force?

Mr. GUTHRIE: The appropriation last year for this was $50,000. The memorandum which I have is this. This larger amount was necessary on account of organization work which was then going on and which will be dispensed with this year. The expense incurred under this vote will not be so great this year as during the organization period, when no stock of

printed forms, etc., was available. Last year we had to do all that work. In addition we paid temporary employees, and for the present year it is not expected that there will be so many temporary employees as there were last year as the permanent staff has now been organized.

Mr. MACKENZIE KING: We have voted for civil aviation $700,000 and for Canadian Air Force $825,000. We are not asking for any details. These amounts cover everything in connection with those forces. Why then should we vote $25,000 for contingencies? The items which my hon. friend has mentioned in regard to last year could have been spent under the general appropriation; I do not think they should be under contingencies, and unless he can show good reasons why they cannot be spent under the general appropriation either for the Canadian Air Force, or for civil aviation, I think the item for contingencies should be struck out.

5 p.m.

Mr. GUTHRIE: I would have to consult with the officers of the board in regard to the matter. I presume this vote is to cover just such matters as I mentioned, printing and stationery, temporary employees, travelling, incidental expenses and the like. I cannot imagine what else the vote is for. If my hon. friend desires further information, I can get it for him.

Mr. MACKENZIE KING: Does the minister think any of the items which he has just mentioned could be met out of the vote for civil aviation or the vote for the Canadian Air Force? If he does, this vote for contingencies should be struck out.

Mr. GUTHRIE: I do not believe they could, because these appropriations are pared down even to a dollar. These are the details of the $825,000 item:

28-day refresher course for 190 flying officers	$380,000
28-day refresher course for 50 ground officers	22,000
Three months' course for 400 mechanics	240,000
Spares	100,000
Seaplane training	60,000
Provincial executives, C.A.F. Associations	23,000
Total	$825,000

Those are right to a dollar without any room for contingencies. I have not the items for civil aviation, but I know the basis on which the appropriations were made up, and I know there is not a dollar left over unless there was a special item for contingencies, so closely was the expenditure pared down.

Mr. EULER: By whom are the items made up?

Mr. GUTHRIE: By the vice-chairman and the secretary.

Mr. EULER: Who are the members of the Air Board? What salaries are they paid? What are the expenses?

Mr. GUTHRIE: I am the chairman of the board. Col. O. M. Biggar, K.C., is vice-chairman.

Mr. McMASTER: What is his salary?

Mr. GUTHRIE: Col. Biggar gets no salary. Sir Willoughby Gwatkin is inspector general of the force. Lt.-Col. Leckie is director of flying operations. Lt.-Col. Scott is controller of civil aviation, Captain Hose is director of the Naval Service. Dr. Deville is surveyor general. Captain Hose and Dr. Deville receive nothing for their services. I think the salaries are $5,000 each for the three other officers whom I named. It may be that General Gwatkin receives more than that. I can verify that in a minute or two.

Mr. JACOBS: How is the distinction made between those who receive a salary and those who receive nothing?

Mr. GUTHRIE: The other members of the board like myself and Col. O. M. Biggar, Capt. Hose and Dr. Deville are in other offices of the Government and receive other compensation.

Mr. CAHILL: Are the members of the board all Canadians?

Mr. GUTHRIE: That depends upon what you call a Canadian. General Gwatkin is an Englishman, long resident in Canada. Captain Hose is an Englishman, resident in Canada. The others are Canadians.

Mr. COPP: My hon. friend said that there was an appropriation of some $23,000 for provincial organizations. How is that distributed? Are there boards in the different provinces?

Mr. GUTHRIE: There are nine provincial boards, one for each province, and there is a certain amount of expense in connection with each board. This appropriation of $23,000 covers the expense of the nine boards.

Mr. COPP: Are there any salaries in connection with these boards?

Mr. GUTHRIE: There are no salaries paid for the boards. They hold periodical meetings, and they have examinations of their men and things of that kind. Our officers attend the meetings from time to time for the purpose of conference and discussion.

Mr. COPP: This would cover travelling expenses and things of that kind?

Mr. GUTHRIE: Yes, this covers everything.

Mr. EULER: Is there any co-operation between the two branches of the service?

Mr. GUTHRIE: They are kept separate, but one board presides over them both. Their duties are, of course, separate. One is purely military and naval.

Mr. EULER Is a man ever transferred from one branch to another?

Mr. GUTHRIE: A man may be transferred, but none of the officers.

Mr. EULER: What about equipment?

Mr. GUTHRIE: Certain equipment is suitable for military and naval purposes and certain is not suitable for that. In matters of repairs, civil aviation machines are repaired by the military repair shops.

Mr. DUFF: Who comprise the Nova Scotia Aviation Board?

Mr. GUTHRIE: I do not believe I could give the names. The Lieutenant Governor is president of it.

Mr. DUFF: He is a flier all right.

Mr. GUTHRIE: He is chairman of the board, reputable citizens named by the provinces themselves comprise the boards. We have nothing to do with the selection of them.

Mr. DUFF: Are they gentlemen who have any knowledge of aviation, or are they appointed on account of some other qualifications? I am speaking only for my own province, because I have some knowledge of the work that has not been done in regard to aviation in my province. It is not necessary to have this aviation board or any aviation in Nova Scotia. I should like the minister to tell the committee what work was done in Halifax last year before we are asked to pass an appropriation, a portion of which is to be spent in Nova Scotia. As far as my knowledge goes, not one dollar of benefit resulted in 1920 from either a war or a civil standpoint. I doubt if five people in Nova Scotia can say that they ever saw an aeroplane or a hydroplane during 1920, and before we are called upon to vote a large amount of money to maintain a station in Nova Scotia, we should be satisfied that some beneficial result has been obtained. As far as my knowledge goes, it is an absolute waste of money to have this station in Halifax.

Mr. GUTHRIE: The board is for the Maritime Provinces, not for Nova Scotia. These are the members of the board: His Honour the hon. Wm. Pugsley, Lieutenant Governor of New Brunswick; His Honour McCallum Grant, Lieutenant Governor of Nova Scotia; His Honour M. McKinnon, Lieutenant Governor of Prince Edward Island; J. O. Hyndman; W. H. Dennis; Pilot Officer A. E. Stephenson; Flight Lieutenant R. A. Logan, C.A.F.; Flight Lieutenant J. L. M. White, D.F.C.; Flying Officer A. McGregor, D.F.C., C.A.F.; Pilot Officer H. H. Whitlock, C.A.F.; Secretary, Flying Officer H. R. Stewart, 57 Grafton Street, Charlottetown, P.E.I.

The station in Nova Scotia is considered as absolutely essential for the purpose of a seaplane service. The naval service nowadays must have as an adjunct a seaplane service, and the best base for that on the eastern coast was considered to be at Halifax in Nova Scotia, and on the west in British Columbia. These are our two seaplane stations. They are kept up very inexpensively at the present time, and our hope is that they will justify the money we are spending on them.

Mr. DUFF: The minister has given us the names of the members of the Air Board for the Maritime Provinces, and I notice that some very estimable gentlemen are members of that board. The Lieutenant Governors of Nova Scotia, New Brunswick and Prince Edward Island are members of the board, and I think perhaps no gentlemen are held in higher esteem in the Maritime Provinces than the gentlemen who occupy these positions at the present time, but I think everybody will agree with me that these gentlemen know nothing about aviation. They are on the board, I presume, simply on account of their high official position. I presume that the other members of the board are members of the aviation corps. So far the minister has not given us any reason why this station should be continued. It no doubt is quite proper to have such a station in time of war, and, of course, if a station has to be established, Halifax is the logical place on the eastern seaboard, and the station in the West must be in British Columbia, but at the present time I think there is absolutely no neces-

sity to have any air board or any expenditure on either of these stations. I think that no benefit has been derived by the people of Nova Scotia from having this station at Halifax during the past year or since the war. It is quite true that during the war we had seaplanes in the province of Nova Scotia, but they were supplied to us by the American Government and were officered by American officers. They did good work. We had absolutely to depend on American officers to guard the coast of Nova Scotia during the war. I doubt whether you could find five men in Nova Scotia who knew that there was a seaplane in or near the city of Halifax in the last year or so, and I say there is absolutely no necessity for maintaining this station at the present time.

Mr. SINCLAIR (Guysborough): How many men were trained at Halifax station last year, and to what use is the station being put? I can well understand that Halifax would be an excellent base for such a station, but we would like to know what this station is useful for. Is it training men, or doing something that contributes to the defence of the country?

Mr. GUTHRIE: It is not a training station at the present time. All the work that is done up as far as Lake St. John, and, in fact, further west than that, is done by seaplane. All these seaplanes are assembled at Halifax and distributed from there. For instance, the ones that went to lake St. John came up the St. Lawrence to that place opposite Riviere du Loup. They made a landing there, and from there went on up the river a considerable distance, and then northward They have to depend upon lake and river landings. You cannot make a landing in the rough forest country at all. It is therefore absolutely necessary to utilize seaplanes. They are assembled at Halifax, and go back to Halifax at the end of the year. We have a staff of repair men there, but no training takes place at the station. The training, which is largely military training, takes place at Borden in the province of Ontario.

Mr. EULER: How many bases are there throughout the country, and what is the equipment of each?

Mr. GUTHRIE: I do not think I can give the exact equipment. We have a seaplane station at Vancouver in British Columbia, one at Morley in Alberta, one at High River, in Alberta, and we are equipping one for both airships and seaplanes near Winnipeg, Lake Winnipeg being the landing stage for the seaplanes. Coming easterly, we have a military base at Camp Borden, and a small establishment in Ottawa at Rockcliffe. We have one in northern Quebec, but from there east we have none until we get to Nova Scotia, where we have a seaplane station.

Mr. EULER: I thought the municipalities had some.

Mr. GUTHRIE: Those are landing stations, not bases. Some municipalites provide landing stations entirely at their own expense.

Mr. SINCLAIR (Guysborough): Are any aircraft used in Eastern Canada in connection with forest fires?

Mr. GUTHRIE: They are used in British Columbia, but I do not know whether they are used for this purpose in Eastern Canada. Airships are used in the Rocky Mountain section and in Northern Alberta, but I do not know whether they are used to put out fires in Northern Quebec. If aircraft are used for this purpose they are seaplanes.

Mr. FORTIER: In what part of Northern Quebec has the air force operated?

Mr. GUTHRIE: From Lake St. John 250 miles north. Work was done there last summer, and this year they propose to operate from another lake, the name of which I cannot remember at the moment. The member for Maisonneuve (Mr. Lemieux), will remember it.

Item agreed to.

Sir GEORGE FOSTER: I move that the committee rise and report progress, and ask leave to sit again this day.

Motion agreed to: progress reported.

CUSTOMS AND INLAND REVENUE ACT AMENDMENT

On motion of Hon. R. W. Wigmore (Minister of Customs and Inland Revenue), the House went into committee to consider the following proposed resolution, Mr. Steele in the Chair:

Resolved, That it is expedient to bring in a measure to constitute the Department of Customs, and Excise, and to amend the Customs Act and Inland Revenue Act, and to provide,—

1. That there shall be a Department of the Government of Canada which shall be called the Department of Customs and Excise, over which the Minister of Customs and Excise shall preside; and the Minister of Customs and Excise shall be substituted for the Minister of Customs and for the Minister of Inland

Revenue and for the Minister of Customs and Inland Revenue whenever they or any of them are or is mentioned or referred to in any statute or in any regulation or order made under or in pursuance of any statute; and such other provisions shall be made as are necessary to carry out the proposed change in the constitution of the said Department, and that the Customs and Inland Revenue Act be amended in these respects.

2. That section thirty-one of the Customs Act be amended by adding the provision that an entry shall not be perfect unless in all cases of shipments from any country other than the United Kingdom, British Colonies and British Possessions, where the value for duty of the invoiced goods in terms of the standard dollar of Canada is one hundred dollars or over, such invoice bear thereon a certificate of a Canadian Trade Commissioner, British Consul or other duly accredited officer, in the form or to the effect prescribed in that behalf by the Governor in Council, who may also prescribe the fee to be charged therefor.

3. That section forty of the said Act, relating to the valuation of goods at their fair market value in the principal markets of the country whence exported, be amended by providing that such value in no case is to be lower than the wholesale price thereof at such time and place, and by the added provision that the value for duty of new or unused goods shall in no case be less than the actual cost of production of similar goods at date of shipment direct to Canada, plus a reasonable profit thereon, and the Minister of Customs and Inland Revenue shall be the sole judge of what shall constitute a reasonable profit in the circumstances.

4. That section fifty-nine of the said Act be amended by adding thereto the provision that notwithstanding any of the provisions of the section, in computing the value for duty of the currency of an invoice, no reduction shall be allowed in excess of fifty per cent of the value of the standard or proclaimed currency of the country from whence the goods are invoiced to Canada, irrespective of the rate of exchange existing between such country and Canada on date of the shipment of the goods; and in respect of goods shipped to Canada from a country where the rate of exchange is adverse to Canada, the value for duty of the currency of the invoice shall be computed at the rate of exchange existing between such country and Canada at the date of the shipment of the goods.

5. That section one hundred and four of the said Act be amended to provide that entry of goods outwards by land conveyance shall be made at the Custom-house of the port of exit for Canada.

6. That section one hundred and thirty-two of the Inland Revenue Act, relating to the recovery of penalties, be amended to provide that the jurisdiction of the Exchequer Court be extended to enforce penalties up to two thousand dollars, and that every action, suit or prosecution taken under the provisions of the Act shall be inscribed on a privileged docket or roll, and heard by privilege and preference.

7. That section one hundred and eighty of the said Act be amended to provide that the certificate of a provincial analyst shall be accepted as evidence of the alcoholic content of the beer or wash suitable for the manufacture of spirits.

8. That section one hundred and eighty-one of the said Act be repealed and in lieu thereof it be enacted that every person who has been convicted of an offence against the provisions of section one hundred and eighty, relating to distilling without a license, or has been adjudged liable to the penalty therein provided for, shall in addition to any such penalty, incur a penalty in double the amount of duties which should have been paid.

9. That the said Act be amended by the insertion of the provision that on every cask or barrel used in a brewery or for keeping or delivering out any beer, there shall at all times be legibly cut, branded or painted in oil colours on one head, the name and address of the brewer; and on every bottle containing beer, there shall at all times be securely fixed by the brewer or bottler of the said beer, a label showing in conspicuous type the name and address of the brewer or bottler of the said beer and showing also the percentage of proof spirits contained in the said beer.

10. That section three hundred and fifty-six of the said Act be amended by adding the provision that every person who sells or offers for sale any manufactured tobacco or cigars otherwise than in or from the original package bearing thereon the proper revenue stamps, whether or not the proper duty has been paid on such tobacco or cigars, shall be guilty of an offence and be liable to a penalty of not less than ten dollars and not exceeding fifty dollars and for a second offence to a penalty of fifty dollars.—The Minister of Customs and Inland Revenue.

Mr. LEMIEUX: Explain, please.

Mr. WIGMORE: The Department of Customs and Department of Inland Revenue were combined by Order in Council in 1918, under the name of the Department of Customs and Excise. The Customs Act and the Inland Revenue Act each contained sections constituting the two departments. Briefly, the proposed Act provides a uniform law constituting the combined departments and defining the minister's duties, and at the same time provides for some minor amendments to the Customs Act and the Inland Revenue Act. It is proposed to change the title from "Customs and Inland Revenue" to "Customs and Excise", and to make corresponding changes throughout the two Acts.

The proposed amendments to the Customs Act are: (a) To provide for certificates of Canadian Trade Commissioners or Consular Agents on invoices from foreign countries; (b) To provide for valuation for duty for customs purposes in certain cases; (c) To provide for valuation for customs purposes of foreign currencies in certain cases; (d), To provide for licensing of Customs house Brokers.

The proposed amendments to the Inland Revenue Act are: (a) To provide for increased jurisdiction in proceedings by summary conviction; (b) To facilitate prosecutions under section 180 respecting illicit stills; (c) To provide for marking containers of beer with name of brewer or bottler and description of alcoholic strength of contents; (d) To

facilitate prosecutions, under section 356, relating to unlawful sale of tobacco and cigars.

Mr. MORPHY: I would like to submit a word or two with reference to subsection 7 of the resolution which reads as follows:

That section one hundred and eighty of the said Act be amended to provide that the certificate of a provincial analyst shall be accepted as evidence of the alcoholic contents of the beer or wash suitable for the manufacture of spirits.

Now in Western Ontario it is a very common practice amongst the farmers in various districts to use molasses diluted with water in the ordinary everyday feed of their hogs. The production of hogs in western Ontario is a very staple industry with the farmers, and a case that came to my attention last year was in substance as follows: An excise officer from Toronto went up into the county of Huron, the county adjoining that which I have the honour to represent, and in districts of that county it was a very common practice to prepare molasses with water and to sprinkle it upon the hog feed, at a certain time during the fattening period to the great benefit of the animals and the improvement of the quality of the pork. This officer went to a farmer of good reputation, who had nothing against him, and who was following the practice not only of his immediate neighbours but of the farmers generally throughout the county. The officer found ten gallons of molasses and water in the farmer's barn, ripening there for the purpose of being used to feed his hogs. Now, speaking from memory, section 180 of the Act provides that a man having in his possession beer or wash out of which spirits could be made, is, upon being brought before a magistrate, liable to be found guilty from the mere fact of having that liquid in his possession, and the minimum penalty is $200. In the case in question the magistrate intimated that he was convinced it was a hardship but he could not help himself—the Act was so drastic he had to impose a fine. Under a decision of the Supreme Court of Alberta it had been found that there was summary jurisdiction to try a case and impose a fine under section 180; but that court finally reversed its own judgment and said there was no summary jurisdiction vested in a magistrate, and that a farmer, or any one having the wash could be tried by preliminary investigation, followed by an indictment before the court. I believe that is the law.

Now, it seems to me that one of the things this country is suffering from, to a certain degree at least, is the drastic nature of legislation of this kind under which the most innocent man is at the mercy of a zealous Inland Revenue officer who—without any case other than the fact that the man has such things in his possession—will pay a visit and find the mixture of the alcoholic content. Then under this section that is now proposed, all he has to do is to get the certificate of the analyst and the man is fined, or he is indicted and prosecuted, and then subjected to both fine and imprisonment without the option of saying a word. There is no escape except by an appeal, after conviction, to the clemency of the powers that be—to bring forward the case, and probably present the evidence, and ask for a remission of the fine. I contend, Mr. Chairman, that such drastic legislation should not be acted upon without very great care, and there should be some provision in the law which would enable the man, upon trial, to show that the mixture was on his premises innocently. Furthermore, if the jurisdiction is going to be changed, the magistrate in the case should have summary jurisdiction so that he might hold that in such an instance as I have mentioned the liquid was being retained for a proper and useful purpose. Under the circumstances, and entertaining such an opinion, the magistrate would have power to say there is nothing culpable by reason of having the mixture there. This is a very serious matter and in the district in question it has put fear and trembling into the hearts of the men who have followed for a lifetime the practice I have described. The practice is so common that merchants publish advertisements in the papers declaring that the farmers may obtain molasses for the purpose mentioned. It is not a creation of modern conditions; it has been in vogue for many years. Moreover, the miller who sells chopped feeds also advertises where molasses can be found. It seems to me, therefore, that I am right in asking that before this section is passed the minister should take some steps to amend the Act so that in cases such as I have described a man will be enabled to show his innocence and to escape conviction when there is no guilty intent. I bring this matter forward in the hope that the minister will get his departmental officials to consider this suggestion in the interests of the public, who are entitled to be safeguarded against any unwarrantable prosecution.

Going back to subsection 2, I should like the minister to explain how he is going to have, we will say, a trade commissioner to attend to the business of shipments from the United States when there is no such official as a Canadian trade commissioner among those 110,000,000 people. It does say, of course, that the British consul may act. Well he may; but he may be at Washington, and the man who wants to ship goods, say, at Seattle, San Francisco or some other distant port will be greatly inconvenienced. We ought to have trade agents in the United States for the purpose of facilitating trade with Canada; instead of that we have such agents in countries 2,000, 3,000 and 4,000 miles away.

Mr. WIGMORE: As far as that section is concerned, the objection the hon. member raised does not apply at all.

Mr. BUREAU: Section 2?

Mr. WIGMORE: Section 7 of the resolution. This is just for the purpose of defining what is meant by the term "departmental analysis." At the present time if a prosecution takes place the only analysis that the courts accept is from a departmental officer. What we want is that an analysis by a Dominion or provincial analyst or by a man in the Department of Inland Revenue shall be taken by the court as well as the "departmental analysis." I am quite familiar with the case the hon. member refers to. When the inspector visited the premises he found bottles, kegs, in fact everything except the still itself. These violations of the law are taking place throughout the country.

Mr. CAHILL: In Ontario?

Mr. WIGMORE: Yes, in Ontario sometimes. Considerable leniency was shown to that man afterwards. It was assumed that the wash was for his pigs. At the present time our officers are on the lookout for the illicit still, and perhaps in the case in question they were a little more active than they might have been.

Mr. SINCLAIR (Guysborough): What did the Government do—collect the fine?

Mr. WIGMORE: Yes.

Mr. McGIBBON (Muskoka): Is it or is it not legal for a person under the regulations in Ontario to brew beer of more than two and a half per cent strength for his own use?

Mr. WIGMORE: I do not think the Dominion Government have anything to do with that; it is purely a provincial matter.

Mr. McGIBBON (Muskoka): There is a clause in the minister's regulations covering that, and that is why I have brought it to his attention. The regulations of the department do permit it. But how far does that conflict with the local authorities, and who has the greater jurisdiction?

Mr. BOYS: I should like to get information on a point, although perhaps it has not a direct bearing on what is now before the committee. Referring to subsection (c) of 180 we find the following:

> Every person who without having a license under this Act, then in force,—
>
> (c) imports, makes, commences to make, sells, offers for sale or delivers any still, worm, rectifying or other apparatus suitable for the manufacture of wash, beer or spirits, or for the rectification of spirits, or any part of such apparatus.

Can the minister tell me whether or not a person manufacturing, innocently, part of a still is liable to prosecution under that section, and whether or not it has been the practice of the department to so read the section, even assuming that there is absolutely no guilty knowledge? The reason I ask this question is because as a matter of fact, such a case came under my own notice. I was defending, and able counsel were brought from Toronto to prosecute, and to my surprise it was argued that even assuming a man was absolutely innocent, nevertheless if he did at the request of some person—evilly disposed, if you like—manufacture merely a part, he would be liable to prosecution under that section. I am glad to say, Mr. Chairman, that I was able to persuade the magistrate that any such interpretation of the section would shock one's idea of common sense, and the prosecution was not successful. But it seems to me an appropriate time to find out whether or not such an interpretation is placed upon that section by the officers of the department, because, if so, I submit that it would be high time to consider an amendment of the section. Surely to goodness, in this country, if we have a law which enables us to get after those who are knowingly guilty, that ought to be enough. To have on our statute books sections which impose penalties on people who are absolutely innocent seems to me going altogether too far. Perhaps the minister can give me an answer.

Sir GEORGE FOSTER: You are speaking from the Act?

Mr. BOYS: From the section of the Act which is dealt with by the Bill. With re-

gard to section 7 of the resolution, I take it for granted that the certificate therein referred to is to be received as prima facie and not as conclusive evidence.

Mr. MORPHY: No.

Mr. BOYS: If it is conclusive, it seems to me it is going too far.

Mr. DUFF: What section?

Mr. BOYS: The section referred to in the resolution, section 180 of the Act. That is the section I quoted from first. My last remarks have reference only to section 7 of order 36, which is as follows:

That section 180 of the said Act be amended to provide that the certificate of a provincial analyst shall be accepted as evidence of the alcoholic content of the beer or wash suitable for the manufacture of spirits.

I take it that that is not conclusive, but merely prima facie; in other words, that, instead of bringing the man there to prove what he did and what the result of his operations was, the certificate of such an officer presented in court is receivable in evidence without anything further. If it was to be conclusive evidence, I should think it would be open to doubt, because there might be some question whether the analyst got hold of the right stuff for the purpose of analysis.

Mr. MORPHY: Just a word in connection with that to show the idea in my mind that it must be conclusive. The practice is for the officer to visit the place, take his sample, and destroy the rest of the contents of the barrel, which puts it entirely out of the power of the man charged to save a sample. Therefore the certificate must be conclusive, unless the public have the right to go into the provincial analyst's office and demand an independent analysis. What I complain about in section 180—I have not the Bill before me, I am only speaking from memory—is that the mere fact of having in possession a beer or wash liquid out of which spirits can be made in itself creates an offence, whether or not you are innocent of wrongdoing, and there is no escaping the penalty; there is no fine lower than $200—it runs, I think, up to $2,000. Now, the officer of whom I speak was away out from Toronto, about 150 miles west of that city. To show his avidity in the matter, I may say that as soon as he secured the conviction in this case, probably having in mind my argument that he might go into every cellar in the country and find gem jars that had once contained fruit but in which there would be some of the juice remaining—liquid or wash out of which spirits could be made—this officer about two weeks later actually did go into a cellar in Toronto, found a gem jar with liquid in it, took it before the court and based a case upon it. Mr. Cohen, who sat upon the case, notwithstanding that he had no law to warrant his doing so, said to this officer: "What are you doing here? Get out of this court with a case like that".

Mr. BOYS: I am afraid that I am being sidetracked, quite unintentionally of course. If I could get an answer to my question I would like it very much indeed.

Mr. McKENZIE: Before the minister answers may I ask him to read the section of the Act in question?

Mr. WIGMORE: It is section 180, and reads as follows:

Every person who without having a license under this Act, then in force,—

(a) distils or rectifies any spirits, or makes or ferments any beer;—

Mr. BUREAU: Including spruce beer?

Mr. WIGMORE: "Beer" is defined in another section.

(b) assists in distilling or rectifying any spirits, or in making or fermenting any beer or wash in any unlicensed place; or,

(c) imports, makes, commences to make, sells, offers for sale or delivers any still, worm, rectifying or other apparatus suitable for the manufacture of wash, beer or spirits, or for the rectification of spirits, or any part of such apparatus; or,

(d) Completely or partially sets up or assists in setting up, prepares or partially prepares for working, any such still, worm, rectifying or other apparatus; or,

(e) has in his possession, in any place, any such still, worm, rectifying or other apparatus, or any part of parts thereof, or any beer or wash suitable for the manufacture of spirits, without having given notice thereof as required by this Act, except in cases of duly registered chemical stills of capacity not exceeding three gallons each as hereinbefore provided for, or in whose place or upon whose premises such things are found; or,

(f) conceals or keeps, or allows or suffers to be concealed, or kept, in any place or premises owned or controlled by him, any such still, worm, rectifying or other apparatus or part thereof, or any beer or wash suitable for the manufacture of spirits; or,

(g) conceals by removing, or removes, or assists in concealing by removing or otherwise, any such still, worm, rectifying or other apparatus, or part thereof, or any beer or wash suitable for the manufacture of spirits;

is guilty of an indictable offence, and shall, for a first offence, be liable to a penalty not exceeding five hundred dollars, and not less than one hundred dollars—

Mr. MORPHY: It is $200 now.

Mr. WIGMORE: It has been changed to $200.

—and to imprisonment, with or without hard labour, for a term not exceeding twelve months and not less than one month, and, in default of payment of the penalty, to a further term of imprisonment not exceeding twelve months and not less than six months, and for every subsequent offence, to a penalty of five hundred dollars, and to imprisonment, with hard labour, for a term not exceeding twelve months, and not less than six months, and, in default of payment of the penalty, to a further term of imprisonment equal to that already imposed by the court for such subsequent offence.

Mr. BUREAU: The word "knowingly" does not appear anywhere?

Mr. WIGMORE: No.

Mr. BUREAU: Does the section mean that a man who may have in his possession, not knowing what it is, part of a still or part of a worm, can be fined under that provision?

Mr. WIGMORE: I think it means that exactly.

Mr. BOYS: Then if it means that I want to protest against it most emphatically. That seems to me to be a monstrous attitude to take. In the case that I have referred to, the man who was fined was a tinsmith. He was not asked to make the whole apparatus; if he had been he certainly would have known what he was doing. The guilty party came to him and asked merely for a certain part, a bit of piping, and the tinsmith made it. In my opinion—and I feel certain I am right as to that—he did it innocently, and it is not right that under those circumstances a man should be liable to penalty. If this law has the effect of making such a man liable to penalty even if the magistrate believes he is innocent, then I say it is not right, and I do think the minister should consider the matter. I was just wondering whether the insertion of the word "knowingly"' would be dangerous. I quite appreciate the fact that it might open the door to abuses, but I am not so sure that justice could not be done if that word were used in connection with this provision. A man charged with the offence may deny it, but if the evidence is such as to convince the magistrate that he did it knowingly, he can be fined; if the evidence is not sufficient to show that, surely he should not be fined. I am a little surprised now to hear that the department takes the view that under the set of facts which I have outlined a perfectly innocent man is liable to a very serious penalty. I do not think a law like that should stand, and I hope the minister will change it.

[Mr. Wigmore.]

Mr. McGIBBON (Muskoka): I would like to protest, as I have protested time and again in this House, against this unnecessary restrictive legislation. I have been making this protest for years and I am going to continue to do it. I do not blame the minister; I blame the officials who bring this stuff into Parliament.

Mr. McMASTER: Blame the responsible minister.

Mr. McGIBBON (Muskoka): I say it is time we cut out this kind of legislation which restricts the rights of the people. Speaking in the House a few days ago I pointed out that under these various laws as they now stand a man does not know whether he is a law-abiding citizen or a criminal. We are loading up the statutes with provisions of these kinds, making innocent men guilty and giving them no recourse. I do not really know whether we are losing our moorings, whether we are departing from a condition of sanity or not, or whether we still have any rights left us under the old Magna Charta, the Bill of Rights and other things that our forefathers fought for. Legislation of this kind ought to be removed from the statute book at once.

Mr. WIGMORE: This is not new legislation; it has been on the statute book for years. The only change which is being made is that we are taking the analysis of the provincial men as well as of the federal departmental man. As to the case mentioned by the member for South Simcoe (Mr. Boys), I should think that the magistrate would deal with the merits of the case. I am not a lawyer, but I should think that if it was proved that the tinsmith was absolutely innocent, he would not have been penalized.

Mr. BOYS: What the minister said in answer to my question does not bear out what he says now; if it did I would have no complaint to make. If the attitude of the department is that a man who proves that he did this thing innocently is entitled to acquittal, then I have no objection to offer. My objection was to the interpretation put upon this section by the officer of the department who was in charge of the case, and by a very capable counsel who came from Toronto. They argued that it made no difference how innocent a man was; the mere fact of his making a part of the apparatus was sufficient to warrant conviction. That was why I asked the minister if that was the interpretation of the department, and I understood him to say

that it was. If so, I want to protest. I do not know whether at this stage I can move an amendment; I presume I could not as this is a resolution, and I presume the only time when I could move an amendment would be when the Bill is introduced. Perhaps I had better say nothing more now until the Bill is before the House because, while the word "knowingly" would be appropriate to the point that I am making, the matter should be carefully looked into. There are so many other things in the resolution that possibly the word "knowingly" used in a wholesale way would not be proper drafting. In paragraph (f) of section 180, the word "conceal" is used, and if a man conceals a thing, the word "knowingly" would be superfluous. Therefore, I would not wish to move that the word "knowingly" be inserted to apply through all these clauses. Without saying anything further now, I should like to suggest to the minister to consider the point which I have raised, and I will reserve to myself the opportunity of possibly moving an amendment along this line when the Bill itself is introduced.

Mr. MORPHY: Just a word as regards the minimum penalty. While I would not advocate that a man should be fined under any circumstances, when he is innocent of any wrongdoing, that has happened and it will happen while the law is at present framed. The former penalty of $100 has been changed by an amendment to the Act to $200. If the minimum were brought down to say $10, in order to give a magistrate a chance, where he is bound to impose a fine, to realize the difference between innocence and guilt, the penalty would not be so severe. It is a disgrace to a man to be fined for an innocent act, his punishment is greater than the fine; but to many men the loss of this money would be a great hardship. Therefore, I would suggest that the fine be brought down to a moderate one, regard being had to the fact that magistrates are not corrupt; that they are endeavouring to carry out the law. Let them have a little opportunity of exercising their judgment as to the extent of guilt, and let them modify their judgment to the extent of imposing a smaller fine than $200 when they think a man is really innocent. On the whole, I believe the law should be so framed that a man who is undoubtedly innocent should not be at the mercy of any magistrate or court.

At Six o'clock the committee took recess.

After Recess

The committee resumed at Eight o'clock.

Mr. DUFF: I should like a little information on clause 2, which provides:

> That section thirty-one of the Customs Act be amended by adding the provision that an entry shall not be perfect unless in all cases of shipments from any country other than the United Kingdom, British Colonies and British possessions, where the value for duty of the invoiced goods in terms of the standard dollar of Canada is one hundred dollars or over, such invoice bear thereon a certificate of a Canadian Trade Commissioner, British Consul or other duly accredited officer.

I think that provision will work a hardship on both importers and exporters. I know some places where it is impossible to get a British consul or a Canadian trade commissioner to perform this service, and even where they are available, I do not see what good it is going to do, though perhaps the minister may have some explanation that will satisfy the committee. Vessels coming from the Mediterranean, for instance, with salt call at an island named Torrevieja and at another named Iviza, at neither of which is there a British consul or Canadian trade commissioner. If a vessel laden with salt goes to these islands and then comes to a Canadian port, I presume that the cargo would not be allowed to be landed here, or that the owner or importer would get into trouble. Even where there is a British consul, he would not know the value of the goods, and his certificate would not mean that the invoice was correct. I cannot see what good it is going to do, and I believe that it will work a hardship on both importers and exporters.

Sir GEORGE FOSTER: That is a clause which will not be brought into effect except by proclamation, and the proclamation will not be issued until arrangements have been made to avoid any undue difficulties such as my hon. friend has suggested. I quite agree with the hon. member that if it were immediately brought into effect it would entail hardship, but we are going to avoid that in the way I have just said.

With reference to the person signing the certificate knowing or not knowing the value of the goods, there is no burden placed on the person who signs to find out what the prices of the goods are. All that the person who certifies has to do is to certify that the three copies are exact copies of the original, as to prices, and the quantities and kinds of goods. That system

is in operation in the United States and applies to all exports from Canada, with the exception of goods less than $100 in value. The fee that the United States Government charges for this certification is a flat rate of $2.50 for the invoice certificated.

With reference to other countries, all of the South American countries, with the exception of perhaps two, have a system of certification of export invoices, on the same basis, but with varying charges. In some cases a flat charge is made, and in others a percentage charge of the value of the invoice, the minimum charges being in nearly all cases higher than those charged by the United States. Of course, when it is a percentage charge of the value of the invoice, it sometimes amounts to a pretty large figure. A large number of the European countries have a similar system, and they make it obligatory that these certificates shall accompany the invoice, and there is a charge therefor. This provision in our resolution is not to apply to any British country, either to the Old Country, or to any of the overseas dominions, colonies or dependencies. The ultimate object of it is to arrange for a system of trade representation as wide as we can possibly make it. It is not possible to put this into force with reference to the United States until we are in position to put it into force with all other foreign countries; otherwise, we would be discriminating against the United States, and we do not propose to do that. Consequently, at first we shall invoke the good services of the British consular and commercial intelligence officers in all these foreign countries for the purpose of certification, and gradually we shall work up, in the most important points, at least, to the establishment of a system of capable Canadian commissioners, who besides doing mere certification—that is only one part of it—will represent Canadian interests and try to expand Canadian trade. The matter has been engaging the attention of my department for a number of years, but was interrupted by the outbreak of the war, and has not been pursued since. The imposition of the small fee for certification of export invoices affords to the United States in so far as its whole consular service is concerned, an income under present rates which is quite sufficient to carry the whole expense of their consular service, and it is supposed, and I think rightly, that in the course of time it will be possible for Canada through the revenue that it thus obtains to put out well equipped and thoroughly efficient trade brigades, so to speak, in all the principal countries of the world, and to do that without the heavy outlay that we would have to meet if we did not charge a fee.

Some people may say that the fee itself acts as a tax on the consumer. It may be that sometimes it does, and it may be that sometimes it does not; that varies according to circumstances. It is, however, a very small fee, and where the invoices are for a large amount the small sum of $2.50 for certification is a very, very trifling charge upon the value of the goods.

Mr. MACLEAN (Halifax): What immediate good does the minister hope to derive from the imposition of this fee? Is it with the object ultimately of extending Canadian trade, or what is the purpose of it?

Sir GEORGE FOSTER: I rather have missed what I started out to do, because I was flattering myself that I was explaining the purpose of it. The purpose of it, to take another tack and come up even with my hon. friend, is this: It is to enable Canada to extend into every quarter of the world where it is possible for her to do trade, the distribution of information, through trade agents, trade commissioners, and trade representatives, who will be appointed for the different places, and who will not only distribute information with reference to Canada but,—which is more important,—will gather information as to where, and of what kind, and to what extent there are trade possibilities and trade openings for Canadian products of all kinds, industrial and otherwise.

Mr. MACLEAN (Halifax): I suppose my right hon. friend will say that it is for that purpose that the United States exacts a similar fee against Canadian exporters to that country. I do not think that is the purpose at all. I know that in my own province there are a great many American consular agents in different localities, and as a matter of fact, they are not Americans, but Canadian citizens.

Mr. DUFF: They are all Canadian citizens except one.

Mr. MACLEAN: Yes, and they represent the United States, or the American consul at Ottawa or Halifax, or elsewhere, as the case may be, where there is a resident consul. These men represent the consul when any citizen of the United States requires the assistance or protection of the

United States Government. These officers are not appointed for the purpose of extending trade. The United States, of course, has a special line of officers known as trade commissioners, scattered throughout the world, but I fail to see how we could hope to extend our trade by having someone whose duty it is to add a certificate to an invoice representing an export of goods. We can never hope, for centuries, to have consular representatives resident at all the ports in the countries to which we export. I do not think my hon. friend has the right idea in mind. The purpose he states is not the purpose of other countries in having a similar arrangement.

Sir GEORGE FOSTER: I grant that the United States have consuls and consular trade representatives of different kinds. The two things are conjoined. I am quite certain—

Mr. MACLEAN: No.

Sir GEORGE FOSTER: Yes, they are; they are absolutely conjoined. It is impossible for the United States properly to arrange for the certification of invoices of exports from Canada unless she gives fair facilities to all parts of the country. For instance, it would not be fair for the United States or Canada to introduce and put into active operation a scheme of that kind, involving the payment of fees, unless it made it applicable to the whole country. To do that it employs two agencies; it has its own consuls general and consuls, and it has its own agents and representatives, and it is quite possible that in Canada about 50 per cent of the agents of the United States are such as my hon. friend represents. They are Canadians who live in the localities and they do this work for the United States besides representing it in other ways. But the other half of the agents of the United States are absolutely trade officers. Their function is not only to put their names to certificates in connection with invoices, but they are supposed to be on the lookout from day to day to find out what are the currents, the possibilities, and the openings of trade. It must be remembered that in every case the certificated invoice finds it way to headquarters at Washington, the information is gathered of the sources, the trend, and the quality of trade, being supplied to the commercial headquarters in the United States from every quarter of Canada. My hon. friend can see in a moment that that is very important information to have hold of. It is the kind of information which the United States gets from both classes of its representatives, and the efficacy and possible result make that very eligible information and much to be desired.

Mr. MACLEAN: Does the minister not think that after all these benefits are very much exaggerated?

Sir GEORGE FOSTER: Well, that is the opinion of my hon. friend—

Mr. MACLEAN: I was merely asking you.

Sir GEORGE FOSTER:— and if it pleases him it does not displease me. Now there is a very considerable burden in bearing the expenses of trade commissioners in every part of the world in which we consider it well to have our trade represented, and the small fee that will be charged makes it possible to gather a fund which will allow Canada to increase her trade representation very, very largely and without a burden upon the finances of the country. In these days, when representation abroad is growing all the time more expensive, to pay a trade commissioner, with his staff and his necessary help, in a city in a foreign country takes a very tidy sum of money. It is possible for Canada, by this arrangement, to obtain from the revenue from certifications a sufficient sum of money to enable her to go far beyond her present representation in trade in foreign countries, and to do that without burdening her own exchequer. That, therefore, is a point to be taken into consideration.

Mr. MACLEAN: I will not provoke further discussion from my right hon. friend the Minister of Trade and Commerce (Sir George Foster), because I am of the opinion that he will never put this clause into force for many years to come, and I am willing to let it go.

Sir GEORGE FOSTER: We will try it out. I am going to live long enough to put it into force, and I invite my hon. friend to live as long to see its operation.

Mr. DUFF: Let us hope that it will be a long time before it goes into effect.

Sir GEORGE FOSTER: I hope my hon. friend will be here at the time.

Mr. DUFF: I cannot see how the minister can expect, from the fees he may collect, through consular agents, from exporters of goods, to pay the cost of trade commissioners in different parts of the world. The United States has, in this country, and

elsewhere, what are known as consuls and consular agents. The member for Halifax (Mr. Maclean), has pointed out that the consular agents are usually Canadian citizens, just as, abroad, they are citizens of the countries in which the United States is represented. For instance, while in Ontario the consul general is an American citizen, practically every consular agent in every town in Ontario or Nova Scotia, or in any other province, is a Canadian citizen. These men are paid half the fees they collect. The minister said that the fee was $2.50. He will not mind my correcting him. It used to be $2.50, but now, owing to the high cost of living, and the American exchange against Canada, it is $2.85. The charge for certification is $2.75, and there is 10 cents added for exchange. Of that $2.85 the local agent gets one-half, and the other half he remits to the agent in the centre of the province who, in turn, remits it to Ottawa. Now in my opinion it is impossible for Canada to appoint agents in all parts of the world. That will cost this country a great deal of money. I cannot see why it is necessary to enact this legislation at the present time unless it is going into force immediately. The Minister of Trade and Commerce has just announced that he would not put it into force immediately; consequently, I cannot see the advisability of passing this clause in the resolution. As I said a few moments ago, there are certain places where there are no British consuls, or consular agents, or Canadian agents—in fact I am afraid that even the present trade commissioners which Canada maintains in certain parts of the world, or in certain foreign countries, are not doing very much good. Only a few days ago I was talking to the captain of one of the steamers in the Canadian Government Merchant Marine, and I asked him where he had made his last trip. He said he had been down to Buenos Aires and I then inquired if he had met the Canadian Trade Commissioner there. He replied that he had not, and that he did not know there was such a person. I tried to find out from him if there was a Canadian agent at Buenos Aires, and he said he had been there three weeks and had never seen or heard of him. If that is the kind of trade agents the Government has appointed the quicker it recalls them the better. What I started out to say was that I do not think this is wise legislation to go into effect because it is going to be a great interference not noly with the businessmen of this country but with those in countries from which we import goods. At the present time, as the Minister of Trade and Commerce knows, the exporter from a foreign country sends to the importer three copies of an invoice which is certified to. Those three copies have to go to the customs officer as soon as the goods arrive at the seaport or the place at which the vessel or train arrives. That should be all the information which the customs authorities or the Government should require. It is quite true, as the Minister of Trade and Commerce says, that of the American consular invoices which the Canadian citizen has to get before he can export goods one copy goes to Washington, another to the person to whom the goods are sold, and the third copy remains in the hands of the American consul or consular agent. It seems to me that if three copies of the invoice come to Canada and are deposited with the customs officer in the port where the goods are entered, that information should be sufficient so far as the Canadian Government is concerned. I would strongly impress upon the Minister of Trade and Commerce that there is no necessity for the clause in question at the present time, in view of the great inconvenience that is going to result from it to both exporters from foreign countries and to Canadian importers.

Sir GEORGE FOSTER: I want to impress upon my hon. friend who has just taken his seat that I do not think it is a wise thing for him to stand up in Parliament—I am not lecturing him at all, I am just stating how it strikes me—and throw cold water upon any trade commissioner, or the whole system of trade commissioners, because a friend of his tells him that he actually spent three weeks in Buenos Aires and never met a trade commissioner belonging to Canada. From that statement my hon. friend draws this conclusion: If that is the kind of trade commissioner you have abroad, you had better not send any abroad. That is not a fair position for my hon. friend to take. What was the matter with that man who spent three weeks in the little country of Buenos Aires?

Mr. DUFF: It is a big country.

Sir GEORGE FOSTER: Where did he spend that time? One trade commissioner cannot go all over Buenos Aires in three weeks. My hon. friend states that his friend did not see a Canadian trade commissioner after being three weeks in the great country of the Argentina, but I am not going to take that as a condemnation

of my trade commissioner, particularly as we have in Buenos Aires as live a trade commissioner as we have in the whole outfit—a good man, an excellent man, one who understands the work and was there for a long while under Mr. Pousette years and years ago. We have kept that officer there, he is now our trade commissioner, and he is a good man. I am bound to stick up for my trade commissioners against such evidence as my hon. friend has given me. Then again my hon. friend says: "You are not going to put this system into force right away. What is the use of it unless you do put it in force right away?" Well, we have to provide for putting a thing into force before it becomes effective. My hon. friend, I believe, is somewhat of a fisherman. I imagine he does not wait until his vessel is ready to go out at the proper season before he gets his twine, and his lines, and his proper apparatus together. He makes his preparations, and we have to make our preparations. It is no slight thing to make proper preparation to put a system like this into force throughout the world. It is possible we will have it in operation inside of six months, and that is what I think I can say to this committee will be done. It takes a little time to do, but I am quite sure it will be done.

I have already communicated with the British authorities, and the Secretary of State for the Colonies has intimated his complete willingness to put me in touch with all the British consuls, consular officers, and intelligence officers throughout the world, and have them co-operate with me in this. That gives you an opportunity, without having to place Canadian commissioners in every part of the world before you can bring the system into operation; it gives you a modus operandi to facilitate your operations.

Now my hon. friend says we will not get much revenue from it. Suppose we test it by the facts? The United States last year got $496,184 in fees on the exports that were sent from Canada into the United States. Well, it is possible, I think, to make a rough calculation on that, and to come to the conclusion, without refining it very much, that we can get a good, tidy fee from this source. I am free to confess that when I first commenced looking into this question I was not very much in favour of the proposition. But the more I look into the matter, and the more the keenness of competition all over the world becomes apparent, the more I feel that we must put forth more effort in order to help our Canadian producers, industrial and otherwise, to find markets outside for the surplus they produce. I have come to the conclusion that not only will it result in a great gain in commercial information, but it will also help us to represent Canada in a way we could not otherwise do, and to pay for it by this system of a small fee for the certification of invoices. My hon. friend took exception to the amount I stated as the fee in the United States. The fee is $2.50 in the United States. My hon. friend shakes his head and says "no," but that is exactly what it is—no more and no less. The man who pays that fee down there pays $2.50 in American money. If there is an exchange against Canada that exchange is applicable not merely to that fee but to all our trade.

Mr. MORPHY: I want to congratulate the minister upon what I conceive to be a forward step along the lines of increasing Canadian trade in foreign markets. It may be interesting to the House to know that while at present we have no trade agency in the United States, Great Britain maintains a complete corps there. At Washington there is the Commercial Counsellor to the Embassy. In addition there are consuls-general located at Boston, New York, Philadelphia, Chicago, New Orleans and San Francisco. There are also consuls and vice-consuls in those cities and at other points throughout the country. The total number of British representatives in the United States at present is 115—none from Canada. They are there largely to promote British trade. There are 49 foreign consuls in the city of New York alone, including representatives of the smaller South American republics. Argentina has a consul-general at New York and another at San Francisco; in addition she has a consul at New York and another at Norfolk, Virginia, and twenty vice-consuls at various points. Belgium has sixty consuls and commercial agents in the United States, Bolivia has thirteen, Brazil has forty, Chile has one consul-general in New York and fourteen consular officers; France with less trade than Canada, has consuls-general at San Francisco, New Orleans and New York, and also a full complement of consular officers; Norway has an excellent consular organization in the United States with a personnel of over fifty, including one consul-general at New York. Practically all these trade

representatives collect fees in the United States for viséing invoices or export manifests to their respective countries. The fees vary: Mexico and Ecuador charge 3 per cent on the invoice value; Peru, Bolivia and Guatemala, 2 per cent; France, $2.40; Japan, $4.00; Italy, $3.89; Spain, $12; Norway, $2.70.

The United States has a consular service throughout the world, including Canada, and all her consuls-general and consuls are paid by salary and are divided into classes. The only class referred to by hon. gentlemen opposite who get their remuneration from fees, to the extent of one-half the fees they collect, are those of the minor branch of the service in Canada. Those of the major branch get salaries ranging from $12,000 a year down to $5,500—not very large salaries for the class of work they do. Their vice-consuls are divided into three classes, with remuneration ranging from $3,000 to $2,500. None of these officers are entitled to retain the fees which they collect; they are paid a straight salary. The total number of United States consular agents in Canada is 92. They are not here for nothing; they are here for the benefit of the United States upon a trade basis, and that fact alone ought to be illuminating to us in Canada, when we consider that with a population of eight or nine million here the United States thinks enough of this small market—small to-day, but which will ultimately be great—to keep here 92 consuls, vice-consuls and trade agents. It does seem very difficult to explain to the business man that that being so, we have not one agent to look after our export trade in that market of 110,000,000 people.

Mr. DUFF: Are those 92 American citizens, or are they partly Canadian?

Mr. MORPHY: The majority are American.

Mr. DUFF: How many are American and how many are Canadian?

Mr. MORPHY: All I can say in answer to the hon. gentleman, because the nationality is not given in the repository where I got my information, is that I was told by the American consul-general here that they sometimes appointed Canadian citizens in small places aside from the larger avenues of trade.

Mr. DUFF: Is it not a fact that in most of the outports the United States representatives are all Canadian citizens, those of American nationality being confined to the capitals of our provinces and other large centres?

Mr. MORPHY: I put on record in this regard recently a statement that the full list of American consuls and agents in Canada can be found in the report of the Secretary of State for External Affairs for 1920 in appendices A and B. It will be found that the United States has trade representatives from Halifax to Vancouver, mainly, of course, at points of importance. For instance, they have three or four in Montreal, in Toronto, and in Vancouver, and two or three in Halifax. What are they there for, is the point. Are they there to benefit Canada or to benefit the United States? Why, absolutely for the purpose of stimulating United States trade in Canada, to advise their home government regarding trade opportunities here, and through them their home industries.

An hon. MEMBER: And we are paying.

Mr. MORPHY: Exactly, we are paying for that service here to the extent of our manufacturers and producers paying the fees on all the invoices coming before the American consuls to be vised. It seems to me that if they can make a profit in eight years of more than $869,000 over and above all their overhead expenses in a market of eight or nine million people, surely Canadian agents over there with the larger market of over 100,000,000 people would correspondingly make their offices pay, in fact make them self-supporting out of the fees paid by the American importers, to say nothing of the advantage accruing from the information they would send our manufacturers and producers of American needs for goods made in Canadian factories by Canadian workmen. Surely that would be a step in the right direction, and the minister is to be congratulated on what he has done. At a time when it is going to be harder to sell goods, the more information we can get of what the American people require the more will Canadian trade expand, and I am surprised at hon. gentlemen opposite questioning for a moment the advisibility of such a progressive step.

I appreciate that at the inception it might not be wise, as the minister has said, to put the service upon a complete basis, but it could be tried out. Points could be selected, having regard to the productions of Canada and the requirements for those productions in the markets of the United States, at which trade agents could be ap-

pointed. Starting first with some bright up-to-date commercial travellers, young vigorous men understanding trade conditions, a limited service of these live wires might be tried out in the United States to give us the best information available as to the requirements of that market of 110,000,000 people. The tariff is going up, and, as the minister has said, we have got to be more active if we are to secure our share of the American trade; and undoubtedly we have great industrial establishments that need such export trade. To my mind this is one of the brightest features we have had for a long time, and I commend the minister very strongly for the progressive step he has taken, indicating as it does, the intention of the Government to do everything possible to stimulate and develop the sale abroad of our surplus products. Already we sell to the United States $522,000,000 worth of goods, some wholly manufactured, some partly manufactured and the balance raw material, and they send us over a billion dollars worth of goods in return. Surely with the extent of the market over there in our favour, we can greatly extend our trade if this policy is carried out when we are already doing such a considerable volume of business without having any trade representatives in the United States.

Mr. DUFF: I am sure we are all of one mind in regard to the expansion of Canadian trade, but when the hon. member for North Perth tries to argue that the fact of there being a number of American consular agents in Canada, most of whom are Canadians, has any effect on Canadian trade, I am afraid I cannot agree with him. I venture to say that the American consular agents in this country do not increase trade from Canada to the United States $50,000 in one year. That is not there purpose at all—to try to sell Canadian goods to American customers.

Mr. MORPHY: It is not their purpose, but the information goes there and it is taken advantage of.

Mr. DUFF: The whole argument of the hon. member for North Perth was that we should agree to this particular clause in the resolution in order that we might encourage Canadian trade. Now, I say that having these agents in the United States just as the Americans have them in Canada does not in any way encourage the sale of goods by Canada to the United States. I am heartily in accord with the idea of having Canadian trade commissioners in every foreign country, but the matter of having trade commissioners to facilitate the selling of goods is quite different from that of having agents to affix their certificate to goods coming from a foreign country. This resolution has nothing to do with the appointment of trade commissioners for the purpose of increasing trade. To my mind, its specific purpose is to inflict on exporters in foreign countries and importers in Canada something which is not at all in the interest of trade—in fact, entirely in restraint of trade. I know enough about the exporting of goods to the United States to enable me to say that the only purpose it will serve will be, as the right hon. Minister of Trade and Commerce says, to keep Washington in touch with the goods which are exported from the United States to Canada. I repeat that if this provision involved the appointment of trade commissioners I would be willing to argue strongly in its favour, because if this country is to go ahead and if we are to pay off our war debt we must have live representatives in foreign countries. But I am sorry to say that at present we have not got them, and while the gentleman who is in Buenos Aires may in the minister's opinion be—

Sir GEORGE FOSTER: My hon. friend is now making another statement; he is expressing his sorrow—deep sorrow, I am sure—that we have not live trade commissioners outside Canada. Now, will my hon. friend prove the things that he states and give the instances where we have inefficient trade commissioners? I am ready to give the evidence of ten or twelve years' experience with the actual work of these commissioners, while my hon. friend has scarcely spoken, I suppose, to a dozen of them and understands nothing at all of what they are doing every day of the year. Do not let us have these general assertions. I do not say that a statement of that kind on the part of my hon. friend is going to knock the trade of commissionership system into a cocked hat, but it is not right for a member of Parliament to make that statement—because we are all equally interested in having trade representation at its best—unless he puts up the proof.

Mr. DUFF: There is no necessity for the minister to get so worked up over this matter. I am just as much interested as he is in the foreign trade of this country; perhaps I am more interested in it than he is.

Sir GEORGE FOSTER: Then you must not be so thoughtless.

Mr. DUFF: It is not a matter of being thoughtless; it is a matter of knowing what I am talking about, and I am afraid the Minister of Trade and Commerce does not know what he is talking about.

Sir GEORGE FOSTER: Give us what you know—come along.

Mr. DUFF: My experience and the experience of business men in Nova Scotia is that there are trade commissioners in foreign countries who do not do any thing to improve trade between Canada and foreign countries, and when the minister says they do he does not know what he is talking about. If these men in South America and the West Indies were competent they would keep in close touch with the business men of this country. We had a member of Parliament get up in this House a fortnight ago and tell us of a business man, representing the Ford Motor Company of Windsor, who had travelled all over Europe for sixteen months, and who in all that time did not come in touch with one commercial traveller or one trade commissioner representing Canada.

Sir GEORGE FOSTER: What does that prove?

Mr. DUFF: If the minister's trade commissioners are such good men, certainly this man, who represents a very large firm doing a large business, would have come across some of them in France or in other European countries. Now, the minister twitted me a few moments ago with the remark that one of my friends had referred slightingly to his agent at Buenos Aires. The minister did not even know that Buenos Aires was not a country. Buenos Aires is not a country, I want to tell the minister; it is a city, and the largest in South America. And I want to tell the minister that it was not a friend of mine who told me this, it was one of the minister's own friends, the captain of one of the minister's own steamers, part of the Canadian Government Merchant Marine for which the minister and his friends voted $70,000,000, and in connection with the operation of which a false statement was given us either by the company at Toronto or somebody else. The man who gave me this information said that he was in Buenos Aires for three weeks and that he did not see the Canadian trade commissioner and never heard tell of him. So that the minister need not try to put off on me any of the sins of his own officials, or his own captains.

[Sir George Foster.]

Mr. BUREAU: The Minister of Trade and Commerce said just now that the provisions embodied in this resolution would come into force only by proclamation. There is nothing in the resolution providing for that

Sir GEORGE FOSTER: The Bill will provide for that.

Mr. BUREAU: I imagine that some of us will not be here at the time when all these agents will have been appointed in all countries of the world to furnish these certificates for the purpose of expanding the trade of Canada. My hon. friend argues that the object of having a trade commissioner affix his signature to a certificate on every invoice is to furnish information. Well, the invoice has to go through the customs in any case and that information could be obtained through the Customs Department. I do not see, therefore, the need for this provision. But the point I want to make is this: ever since this Government has been in power I have protested against the vesting of all kinds of power in the Governor in Council. This resolution provides that an entry shall not be perfect until the invoice bears a certificate "in the form or to the effect prescribed in that behalf by the Governor in Council." Well, we know what the "Governor in Council" means; it means the Minister of Customs and Inland Revenue. As to the Governor in Council prescribing the form, I have no objection. I want the minister to give me a detailed explanation as to what he is going to determine shall be the effect of this signature on the invoice by the representative of Canada. The Minister of Trade and Commerce told us that the fee charged in the United States for this service was $2.50. Well, we do not know what the Order in Council will provide as to the fee we will pay. The Minister of Customs says that in the United States last year a revenue of half a million was derived from this source. I say that half a million is paid by the consumer. If this certificate would add anything to the validity or the genuineness of the invoice, well and good, but, as has been pointed out by the member for Lunenburg, how is the representative of Canada to know that the prices on the invoices are true and correct? He does not know; he simply puts down his signature and gets a fee of $2.50 to $3, which the consumer has to pay. On a large number of invoices in respect of goods of which the value for duty is over $100, that will amount to something. I

do not see the usefulness of a provision of this kind—unless it be that it will give the Minister of Customs or the Minister of Trade and Commerce, whoever will have charge of the matter, the appointing of some men as commercial representatives to sign these invoices. As the member for Lunenburg has said, the member for Perth has shifted his ground. We are not criticising the advisability of having commercial representatives in various countries to show the advantages that may be had in trading with Canada, or the superiority of Canadian products, or what Canada can produce and supply to those countries. But from that to the point of having a man in a foreign country to affix a signature to an invoice which is sent by the man from whom the Canadian importer purchases, there is a long way to travel, and I do not see any necessity for this except, as I have said, to give the Minister of Customs and Inland Revenue, through the Governor in Council, an opportunity to prescribe or determine what the effect of the signature will be. I would ask the minister to explain why the words "or to the effect prescribed" are inserted in clause 2 of the resolution.

Mr. WIGMORE: The form of certificate to be determined by the Governor in Council is the same form exactly as is called for to-day under section 32:

> With the bill of entry of any goods, there shall be produced and delivered to and left with the collector an invoice of the goods, as provided in the last preceding section, attested by the oath of the owner, and if the owner is not the person entering such goods, then verified by the oath of the importer or consignee, or, subject to the provision hereinafter made, some other person who may lawfully make such entry and verify such invoice, in the form or to the effect of the oath or oaths prescribed by the Gorvernor in Council in that behalf.

Mr. DUFF: Why is that not sufficient?

Mr. WIGMORE: Because it is deemed necessary and advisable to carry out the regulations as laid down by the Minister of Trade and Commerce. This is the form that is being carried out by every other country in the world to-day; it is a check on invoices and also a means whereby we can get information as regards imports into or exports from Canada.

Mr. PEDLOW: In what respect is this a better check or a greater safeguard than the system which prevails at present?

Mr. BUREAU: The reading of that section does not answer my question. I want to know the form. The minister may provide any form he desires so long as the language is not extravagant, and I suppose it would be criticised if it were. What do the words "or to the effect prescribed" mean?

Sir GEORGE FOSTER: Does my hon. friend understand exactly what is meant to be done? The form of the invoice which is to be certificated is an exact replica of the invoice such as is rendered now and has been rendered for all these years. It is not another paper that is made up and signed by the person who certifies it. It is a copy or three copies of the invoice itself. It is not a new creation; it bears simply the sign manual of the officer that this is an exact duplicate of the commercial invoice which is sent with the goods, just as is done now and has been done for all these years past. It does not add any force to the invoice at all because it does not change it in any way. But there is this in connection with it, that you get three copies of those forms sent in the different ways that they are sent to the different destinations, and you collect the fee for the work. That gives you the revenue necessary for extending our trade commissioners.

Mr. MACLEAN (Halifax): Would the Canadian importer not pay that fee?

Sir GEORGE FOSTER: The United States at the present time have that system at work in Canada, and the argument is made that if the United States charge a fee of $2.50 in Canada on each export invoice, the Canadian pays the fee. Now the argument is taken that if you reverse that and we put into operation on that side the same system as the United States carry out in Canada, it is still the Canadian consumer who pays the fee. There must be something wrong in that kind of reasoning.

Mr. MACLEAN: I would say that the cosumer pays in all cases.

Mr. BUREAU: The minister has not answered my question. I never doubted that there were to be triplicate invoices or said that the signature would add to or take away anything. My objection is to the words "or to the effect prescribed" in clause 2, which reads:

> A certificate of a Canadian trade commissioner, British Consul or other duly accredited officer, in the form or to the effect prescribed.

Sir GEORGE FOSTER: That means simply this, that the accredited officer, whoever he may be, certificates the invoice in the form or to the effect prescribed by the Governor-in-Council.

Mr. BUREAU: If the effect is prescribed by law, that makes it perfect.

Sir GEORGE FOSTER: The officer cannot go beyond the original invoice. He certificates that that is a true copy of the invoice. That is all that the wording means.

Mr. BUREAU: Why should the Governor-in-Council reserve to himself the right to determine or prescribe what effect this shall have? Let the law say what the certificate is to be. Drop the words "or to the effect prescribed."

Sir GEORGE FOSTER: You must use such a form as will certify to you that this certificate is an affirmation of the original invoice. The wording may be redundant. That is the way in which it is drawn up by the law officer.

Mr. BUREAU: I want to know why it is drawn up in that way.

Sir GEORGE FOSTER: I will give my hon. friend the information when we come to the Bill. Another argument used here is that because the United States employ in this country probably about one-half of their agents who are Canadians and not United States' people, therefore, these Canadians, acting for the United States, do not give any trade information of any value to the United States, and, consequently, they are not useful in the matter of trade. That is the United States method of action. They 9 p.m. can have all their consular agents United States citizens if they so choose. They employ as many of them as they choose to employ, and then, for purposes of their convenience, they appoint Canadian residents at different ports. They do that so as to facilitate the certification, because it is the law in the United States that these invoices must be certificated. That is the method followed by the United States; but along with that method they have at least in Canada 50 per cent of their own active trade consuls, consuls general, consuls and consular agents, and those are active gatherers and distributors of information which goes to the fountain head at Washington. They might make three classes; they make it a sufficient number to carry out their purpose. That is their plan of working. It may happen that with Canada's plan we shall have fewer trade commissioners at the beginning than we will have when the system has developed; it takes time to work up. The object in this is to place in all the principal centres of the world a Canadian trade commissioner, not simply to certify invoices, though he will do that while carrying out his fundamental duty of distributing information with reference to Canada and gathering trade information from the districts that he represents; that is, the trade commissioner pure and simple, which my hon. friends are all in favour of. From both sides of the House there come, and have come for many sessions, stronger now than formerly, representations that we must do something more to extend our distribution and gathering of trade information abroad, so as to facilitate the expansion of our foreign trade. Now, that costs money. If I were to come down to the House and ask for a half million dollars for trade commissionerships, I would find it very difficult to get that appropriation from the House, but here I am coming down with a scheme by which we can gather a revenue in the way I have stated so that we can have these trade commissioners without an undue burden, perhaps without any burden at all on the treasury. This will give Canada an opportunity of extending her trade relations very, very largely. Do not let us forget that this is a plan to extend our trade commissionerships, and in that object both sides of the House are quite in harmony.

Mr. FIELDING: I had the misfortune not to hear the first portion of the discussion, and it is quite possible that the point to which I am about to draw attention has already been covered; if so, my hon. friend will have to bear with me.

When I heard the speech of my hon. friend from North Perth (Mr. Morphy) I was under the impression that we were dealing with a resolution to provide for trade commissioners all over America, but I find that there is nothing of that sort in the resolution. The resolution does seem to imply that there are to be additional trade commissioners, because it refers to the necessity of having these certificates given by the trade commissioner or the British consul. Has the point been considered how many of these new trade commissioners will be appointed for this purpose? Has my hon. friend come to any conclusion on that point?

Sir GEORGE FOSTER: What I face is a condition of things which opens up for the future through gradual expansion, an opportunity for a very wide extension of our trade commissionerships. Now the

United States has in this country some 75 or 80 of these different agents, consuls, consuls-general, and otherwise, who cover the whole of Canada, the area of which is equal to that of the United States. Going on the assumption that for us to carry out this scheme thoroughly in the United States would require about an equal number, that would mean that Canada must have in the United States, sooner or later, 60 or 70 or 80 full trade commissioners, or agents who do part of the work of the trade commissioner, but not the whole work, and who receive a part of the fees, as my hon. friend from Lunenburg (Mr. Duff) has stated. It is impossible for us to engage such a large force at once, so we propose to utilize in the United States, taking that country, for example, the British consular service and the commercial intelligence service, and probably some agents as well, for the purpose of certification mainly, and not only as gatherers or distributors of Canadian trade information. In the gradual working out of the scheme we will come to the point ultimately where we will have Canadian trade commissioners, pure and simple, in the most important points in the United States, and we will work out with lesser officials, at less expense, the machinery necessary for this certification, which is to be general. So I cannot say how many we will have at first. It will require a good deal of care in selecting those who are to go, and it will take time to get properly qualified persons.

Mr. FIELDING: My hon. friend knows that once it is well understood that he is going to appoint a lot of trade commissioners in the United States, he will have no lack of applications.

Sir GEORGE FOSTER: The applications are easy.

Mr. FIELDING: He will in all probability find that it is not so easy to resist the pressure as he imagines to-day. There is one important point in this matter which my hon. friend has not stated squarely and emphatically. This is a proposal to impose an additional duty on goods coming into this country from the United States; that is what it is. It proposes that a parcel of goods to the amount of $100 shall be taxed for a certificate. The amount of the tax is not stated; it is to be fixed by the Governor in Council; but my hon. friend, by way of illustration, has stated that in the United States the tax is $2.50 for the certificate. Assuming that he follows the practice there—and how many times these hon. gentlemen are pleading the example of the United States; it is amazing how much they are learning from the United States now, and how little they were prepared to learn a while ago—he will add $2.50 to a bill of $100. There is no question who pays all these taxes. Two-and-a-half per cent may not amount to anything, I may be told. Why, Sir, in the memory of my hon. friend, and some of those who are even younger, a great change in the politics of this country took place on a question of two-and-a-half per cent. In 1878 the Mackenzie Government were asked to add two and a half per cent to the duties, and they refused to do it, and went out of office on a question of two-and-a-half per cent. My hon. friend without the slightest hesitation is going to add $2.50 to the duty on every $100 worth of goods coming in here from the United States. That is a direct tax on the importer.

Sir GEORGE FOSTER: I do not think my hon. friend would make a statement that does not square with the facts. The way he stated it would give a wrong impression to the country. He says that this charge will amount to two-and-a-half- per cent upon every $100 worth of goods.

Mr. FIELDING: Upon one hundred dollars worth of goods.

Sir GEORGE FOSTER: That is correct. Let me say this: If a person sends in a present of jewellery, that is not a commercial transaction. But some of these invoices will amount to $20,000, $50,000, and $100,000. Now $2.50 on an invoice of $20,000 is only one-eightieth of 1 per cent.

Mr. FIELDING: The amount would be small on a large invoice, I admit. If anything I said conveyed the impression that this was a tax of 2½ per cent on every $100 worth of goods, that was not my intention, and it is not in accordance with the facts, but be the amount large or small, this is an additional tax on goods coming in from the United States. Can it be that there is some concealed desire to add a little more protection to the manufacturer in this way? It is quite possible, it seems to me. That is the effect of it, at all events. What is the cause of it? We have been doing without this thing for ages, and how have the public been affected? Has the business of the country suffered? Has the revenue been defrauded? I cannot see what need there is for this. My hon. friend has given no reason but the one, that they have it in the United States. Once

more the plea is that we must follow the American example. That is not an argument. There may be reasons which might make it defensible from the American standpoint, but that is by no means a sufficient argument as to why we should have it here. I have not heard any other argument put forward than that this arrangement exists in the United States; therefore, it should exist in Canada. If we have been getting along without this tax for all this time without any evil having been created, and if the revenue has not been defrauded in any way, and no public interests have suffered, why on earth do you put on this tax? It is for one of two things: either it is intended as additional protection to the home manufacturer, or it is designed to create a large army of officials. Whether or not my hon. friend starts out with that intention, he will find ultimately that he will be under pressure to appoint a large army of officials in the United States to carry on this work. No man in this House is more anxious than I am to cultivate trade with the United States wherever it can be shown that benefit is derivable, and whenever my hon. friend can submit any scheme whereby we may develop business with our neighbours to the south of us, I will commend him for sending agents there, although, as I stated on a former occasion, when my hon. friend agreed with me, the proximity of Canada to the United States is a reason why we should not have any considerable number of agents across the line. My hon. friend agreed with that view, as I expressed it only a couple of weeks ago, but once he opens the door to the employment of agents he will find that pressure will be brought to bear upon him to send over a large army of such officials. I have seen no evidence to convince me that this is needed for the trade of the country, and I do not think that we should enter upon a policy which will have for its object the providing of places for a large number of officials in the United States.

Mr. COCKSHUTT: I might say a word or two in reply to my hon. friend. The proposition of the minister has been supported by business men, not manufacturers, because there are very few manufactured goods going to the United States from Canada, if any. From business men generally there has been a call for a considerable time, to my certain knowledge, for this to be done. I do not see how my hon. friend can argue that this proposal means an additional duty or tax, as he calls it. This tax has been imposed by the United States on shippers from Canada for many years past, and I myself have been under the necessity of paying it scores of times. It is paid out of the business of the man who does the shipping, and is not collected from the United States consumer. It has to be paid on this side of the line before the goods can cross into the United States. On invoices of goods up to $100 in value, no fee is charged, but over $100—it matters not whether it be $1,000 or $20,000—the charge is only $2.50 per invoice, and that is paid by the shipper before his goods can leave Canada for the United States. I understand that there are close upon 100 of these American agents in Canada who collect nearly $1,000,000 per annum, and as the total expense which the American Government is under in order to sustain them is about half that amount, the American Government gets practically $500,000 of revenue from shipments from Canada to the United States. Now, take it the other way. We buy from the United States about double what they buy from us, and it is reasonable to suppose, therefore, that there would be about double the number of invoices from the United States to Canada than from Canada to the United States. On each of these invoices, I understand, $2.50 will be paid by the American exporter before his goods can start for Canada, and that amount will not be incorporated in the bill, because the price is named regardless of this fee, before the bargain is made. This proposal is made simply for the purpose of verifying the invoice, and I believe that the proposition is an excellent one from a business standpoint. The minister proposes to place trade agents in the United States with the object of getting orders and business. It is a good proposal not only as regards the United States, but as regards any other country in the world, and instead of having to draw on the treasury for the payment of these agents, it is proposed to make the shippers on the other side of the line, or over the water, or wherever it may be, pay the tax that will support these agents, and perhaps give us a balance. I believe that the proposal is endorsed by business men generally. In my judgment it cannot be argued that it in any way increases the duty or that it will be paid by the consumer. It will be paid purely and simply by the shipper, and the proposition is one that should commend itself to all business men in the House.

Mr. FIELDING: When a man ships goods to the United States, he takes into account, in fixing the price, all the elements that go to make up the cost to him. When making up the bill of costs, he knows that he has to pay this $2.50, and he therefore charges it. Whether he puts it in one form or another, is immaterial. My hon. friend must not deceive himself; these things are paid by the consumer in the end. If anyone goes to New York and buys goods, the bill is made up with full regard to all the expenses which the merchant or manufacturer has to incur in any shape of form. He makes up his bill and includes the $2.50, and the consumer will have to foot that $2.50 in addition to the first cost of the goods. My hon. friend has given no reason for this proposal. What harm has come of the present arrangement? Has the revenue been defrauded? I have asked that question before, but my hon. friend does not answer it. I repeat: what is the need? My hon. friend says that the charge will not be heavy, and that the exporter will pay. Well, that is a disputable point, and I have shown that it is the consumer who pays. But waiving that for the moment, I submit that that is not sufficient reason. How is the trade going to be benefited? My hon. friend admits that no new invoice will be taken to the agent to be certificated. He will get the same invoice as the original, and he will simply put a stamp on it and charge $2.50. Well, what additional information will you get from that that will be of benefit to trade? There will be absolutely no additional information from that process, and I do not see any earthly reason for this proposal except that you will make jobs for chaps in the United States. I say once more that I do not object to sending men there when there is business to be done, but I do submit that no case has been made out in the present instance.

Mr. COCKSHUTT: My hon. friend, I am sure, does not wish to mislead anyone, but I certainly think that his remarks will have that effect. If his contention is correct, that the consumer in Canada will pay this particular duty, does not the consumer in the United States also pay the duty—my hon. friend calls it a duty or a tax—which is charged on invoices of goods shipped from Canada to the United States? Surely my hon. friend will not argue that, if the consumer in the United States does not pay the tax that is charged on invoices of goods shipped from Canada across the line, the consumer in Canada will pay the $2.50 levied from the American exporter before he sends his goods over here.

Mr. FIELDING: I have no hesitation in saying that the American consumer in the one case, and the Canadian consumer in the other, pay the duty, as they always will have to do. You may put it on one side of the account or the other, but in matters of this kind the consumer will ultimately pay charges of this kind. In this case, I have no doubt whatever that the charge will ultimately come home to the consumer.

Mr. COCKSHUTT: Will it be the American or the Canadian consumer?

Mr. FIELDING: The consumer will pay in either case.

Mr. PEDLOW: About an hour ago, I ventured to break into the discussion to ask the Minister of Trade and Commerce a question. I want to know in what respect the present system has failed to satisfy the requirements of the Customs Department, and in what regard the proposition put forward in this resolution will be an improvement on the system now in operation.

Sir GEORGE FOSTER: This is not designed at all in the interests of the Customs Department. The Customs Department has had for years its system of invoicing, of inspection, and of examination, and it remains exactly the same. It is not aided in that respect by this system when it goes into effect. This method simply says to the agent on the other side, whoever he may be, that he has to certify that the invoice presented to him is such and such, and then he has to dispose of the three copies of the invoice that he certificates in the way which is stated by the law. The purpose of this is simply to have a convenient arrangement so that you can have agencies fairly reasonably well distributed, without being a burden upon the treasury of the country, where the certificates can be got and attached to the invoices and sent on to their destination. The purpose in all this is to extend the trade commissionership work in outside countries and to raise, by the simple method of the fee per invoice, the necessary funds to do it. That is what this is for and nothing else. There are incidental advantages that will ensue. In the first place, there will come with each of these certificated invoices its duplicate and it will be in the hands of the Trade

and Commerce Department here showing the origin of the goods and the peculiar train, trend and current of these different transactions. In that way valuable information will be available to the department which it may use; but the main thing is to build upon this a body of trade commissioners in these foreign countries who will do the work that trade commissioners are doing now, only do it in a much more extended and in a much more widely distributed way.

Now, as to the tax that is proposed. You have, for instance, different kinds of transactions. Here is somebody in the United States who wants to send a present up to some friend in Canada. If the value does not go beyond $100 then there is no payment at all. If it goes beyond $100, payment has to be made for the certification of the invoice. That is not a tax on trade—that is simply what a man pays for sending something that he wants to be sent to a friend. That is one form of transaction. I think we can put that to one side. The number of transactions which are in the neighbourhood of $100, or such small amounts for which invoices are to be made out and sent into Canada, is comparatively small. The invoices are for larger amounts, sometimes very large amounts. On a $20,000 invoice the fee is only one-eightieth of one per cent, and I can hardly look upon that as a tax which is burdensome upon either consumer or shipper, whoever may have to pay it, and it is so small that it certainly could not make an item in the value of the goods which are sent. So that for a trifling burden, if it be a burden at all, we get the funds necessary for widely extending our Canadian trade commissionership system which is asked for on both sides of the House, which is asked for by the business community as well, and which, from every side within the last four or five years, I have been persuaded and counselled to put into operation. We are asked for more men to distribute information with reference to Canada, and for more men outside who will gather information with reference to trade possibilities.

Now, my hon. friend from Shelburne and Queen's (Mr. Fielding) says that only two reasons have been given for adopting this policy, and one is that the United States does it. I have not in any degree based my argument upon that. I am not doing this simply because the United States does it. I have cited the fact that most of the countries in the world do it, that it is a system that is generally in vogue, and therefore we are not inaugurating a system that is not already in existence. Nor have I had the least idea of inaugurating a system of this kind, in order to make offices and places. You cannot have trade commissioners outside of Canada unless you appoint them, whether it is by this system or any other system. If you want more trade commissioners you have to appoint them, and the law as it exists to-day is that they are appointed through the Civil Service Commission. They will be appointed in just the same way as they have been—as prescribed by the laws which are in force for the time being.

Mr. FIELDING: Would they be technical officers under the new Bill?

Sir GEORGE FOSTER: We have not received the new Bill yet.

Mr. PEDLOW: I have listened with very great interest to the lengthy explanation given by the Minister of Trade and Commerce in answer to my inquiry, but I still fail to see the special reasons for the enactment of this new provision. If it is the intention of the Department of Trade and Commerce to extend this service, why not extend it along the lines that have already been inaugurated—that is appointing agents here and there throughout the world and paying them salaries from the public revenue? I quite agree with the claim made by the member for Shelburne and Queen's that in the last analysis the consumer will pay this charge, the member for Brantford (Mr. Cockshutt) to the contrary notwithstanding. In the case of goods purchased in Canada, exported to the United States, the commission or fee charged is paid by the purchaser on the other side. On the other hand in the case of purchases of merchandise in the United States made by a Canadian importer he would be compelled under this resolution to pay a fee of $2.50 for a certified invoice. Undoubtedly that charge will be included by the manufacturer in the cost of manufacturing his goods. Therefore the consumer in either case will have to pay that additional charge, the exchange upon it, and the duty as well. On Saturday afternoon we were discussing another item where an additional charge was made. This only goes to show that Government is continually adding to the cost of commodities. On Saturday the Minister of Finance caused a resolution to be passed under which each item of merchandise coming into this country will have to be

branded. Now that is going to be an expensive operation, and I repeat that in the last analysis the consumer will have to pay the cost. I defy successful contradiction of that statement. The Minister of Trade and Commerce and the member for Brantford (Mr. Cockshutt), challenged a statement made by the member for Shelburne and Queen's as to the added cost on $100 worth of merchandise. I think the position taken by them was correct to a certain extent; but the minister has claimed that by the operation of this resolution he will realize a revenue of at least $500,000. If that statement is correct there is no question in my mind but that the consumers in Canada will have to provide that money. Not only that, but in addition they will have to pay the customs duty on that $500,000 and the profits two or three times over on this amount. I claim that the system already in force whereby an importer of over a certain amount of goods must produce an invoice certified by the exporter, or by some one acting under power of attorney from him, gives to the Government of this country all the protection they require; in fact, it gives them all the protection they will have under this system, because there is no question in my mind that the trade agent it is contemplated to appoint will be nothing more or less than a rubber stamp. The exporter will pay him $2.50, and the trade agent will stamp the invoice—which is merely the excuse for collecting the fee. If the Government continues from day to day as they are doing now, the consumer will certainly realize before long why commodities are costing so much more in Canada than in other countries. If this policy proceeds very much longer, I would not be at all surprised if the people began to clamour for another committee to investigate the high cost of living, and after the responsibility is saddled unfairly on the retailers—as was done two years ago—we will no doubt have another Board of Commerce, and on its dying by the process of elimination and otherwise we will have perhaps some other combination to regulate trade. But more effective than any of these committees or boards would be some scheme whereby this Government could be induced to go to the country for a new mandate, for I am confident that the people would then put an end to all this nonsense.

Mr. CLARK (Red Deer): Mr. Chairman, I must say that I have failed to notice that my right hon. friend the minister has met the arguments of my hon. friend from Shelburne and Queen's. I would be very willing indeed to support my right hon. friend if I were sure that his proposal made for promotion of trade. My right hon. friend will readily believe that about me. For a number of years in this House I have not been troubling governments so much to promote trade as to persuade them not to prevent trade. That is my trouble with the governments of this country. Though my right hon. friend has persuaded himself that what he is doing is in favour of the promotion of trade, I am not at all sure but that his action will have a diametrically opposite effect. The Government does not need to promote trade. If governments would let peoples alone they would do all the trading that is necessary. It is as natural to a man to trade in a civilized country as it is for him to breathe; and we never think of helping him to breathe by putting him in tight corsets; but we do think of helping him to trade by putting obstacles in the way.

Here we have two countries with 3,000 miles of border line of an imaginary nature, and the peoples on the two sides of that line would trade freely with one another if they were left alone. They cannot be kept from doing it, because we all know, whether in the States or in Canada, people who live near the border line are all free traders by night when they can evade the tariff. We have this border line with the two peoples wishful to trade without any promotion from the Government. But the Government on one side of the line, misunderstanding the true nature of trade, said, "Now, this is an unnatural desire if it goes too far, so we will put up a barrier against those other fellows and prevent them sending stuff into our country." And the Government on the other side of the line says, "Well, we will put up a barrier on our side." So here we have the living waters of human production, which would supply the elements of trade in rich abundance on both sides of the line just as it suited the private requirements of the two peoples, and those waters ready to flow, but we have a double barrier by the efforts of the two Governments. Although each Government has a department of Trade and Commerce, presumably for the promotion of that which the whole policy of the two nations is calculated to prevent.

Then my right hon. friend comes along with an imitative instinct, which I am glad my hon. friend from Shelburne and Queen's condemns—my right hon. friend does not admit that he is imitating the States, and I accept his disavowal; but the speech of my hon. friend from North Perth (Mr. Morphy) was based almost entirely on the States example—my right hon. friend comes along and he says, "We want some men on the other side of this wall,"—fishermen so to speak—"who will cast their lines over this double wall and endeavour to scoop a little water over it." That is the proposal reduced to the bald economics of my right hon. friend. Of course, the States have their men here who are trying to scoop over some of this water also because each Government believes it is quite right for trade to go all one way. But if they would let that trade alone it would flow each way freely.

I have been struggling with the psychology of this matter until my brain is absolutely bewildered. I cannot understand, if the desire be to promote the flow of this water each way, why we put up a dam to prevent its natural flow. Just think of the absurdity of it. We are proposing to have men in the States to scoop this water into Canada and at the same time my right hon. friend has a colleague who is actually persuading the people on this side—or trying to persuade them, but utterly failing—not to bring in water from the other side. Well, I leave these absurdities for the silent and peaceful rumination of my right hon. friend. He is a great thinker, and I wish he would think out an explanation of the psychology of protectionists and give it to me. He hopes to be here for some years yet, and we fondly hope he may prove to be correct—as to how far his interest may be in this chamber for very long is a more doubtful matter—but I do wish before we part that my right hon. friend would settle this point of the psychology of protectionists and explain it to me, because I confess I am bewildered about it.

As to these fees, I am thoroughly in agreement with my hon. friend from Shelburne and Queen's. This is represented as something that does not cost the Government anything. Well, nothing costs the Government anything. The Government is the mere agent for spending the money of the people of the country, and the point is, that while it is trying to delude itself by thinking it is getting some agents to work for it and is not paying for it, nevertheless it is a delusion. The work will be paid for, and paid for exactly as I think has been correctly expounded by my hon. friend from Shelburne and Queen's. I am surprised at the minister, when we have been working hard here for a good many months, some of us sticking at it day after day, bringing in this worthless proposition at this period of the session. I do not think my hon. friend from Shelburne and Queen's has been met for one moment in any contentions he made. This will lead to a demand for positions; it is an extension of the Civil Service which all who are studying it contend is too big already. And the most serious thing about it is not only that it costs money to the consumers on both sides of this imaginary line, but that in the end arrangements of this irritating nature only add further to the obstacles to trade that already exist, as my hon. friend from Renfrew has pointed out, in too great numbers. I cannot see what force there is in the proposal. I certainly would not do this because the people in the States were doing it. Nations are always doing things which with progress and enlightenment they come to desert, and if we would only learn from the experience of our fellows and desert them a little sooner, we should profit by doing so. If the desire be to bring about trade with the United States, to promote our sales to the United States, there is only one way to do it, and that is not by putting fresh obstacles in the way of trade, but by taking down some of the obstacles that already exist. I may be mistaken, but I honestly believe that my right hon. friend's proposal is not worth the paper it is printed on. It is true that my native land has consular agents for trade, but there is some sense in their having them —they deal with all the world, in spite of assertions to the contrary, and if the people of England had the chance of summarily dealing with their present Government they would not condone any of the departures from the traditional fiscal policy of the country. Given a country which puts no artificial obstacles in the way of trade, then anything in the shape of agents to help along trade is logical, easily understood, and does not need to go far to get support. But with our present fiscal policy as it is, this proposal of my right hon. friend does not commend itself to my intelligence, and I am surprised at the time that is being wasted over it at this stage of the session.

Mr. McKENZIE: I suggest to the Minister of Trade and Commerce that as we

have jettisoned a good many things—not because there is any particular storm prevailing, but because we want to lighten the ship so as to make better time—one of the things that could very well be thrown over is this proposed legislation. I venture to say that none of the supporters of the Government came to my right hon. friend and said to him: Now, we are getting close to the end of the session, Sir George; do not forget that resolution and that Bill about those agents in the United States. I venture to think that my right hon. friend was not troubled very much in that way, and that in this matter he is acting upon his own initiative. The hon. member for Brantford replied to my hon. friend from Shelburne and Queen's by saying that if the consumer pays everything the consumer in the United States who takes goods from Canada pays for the $2.50 on that invoice. Well, is that an answer? Is that any reason why we should have our people pay $2.50 that they need not pay? We are not looking after the consumer in the United States; we are entrusted with the duty of looking after the consumer in Canada. If the people of the United States are anxious to have the detailed statistics that a system of this kind will provide and are willing to pay for it, that is no concern of ours. It is a mistake to increase by any amount, large or small, the burden at present borne by the Canadian consumer. It is all very fine to talk about $2.50 being nothing at all. I have heard hon. members from Ontario say that the price of butter has gone down to 25 cents a pound. Well, $2.50 represents ten pounds of butter at that price, and to the ordinary man ten pounds of butter is more, perhaps, than a week's supply for his family. If sugar has gone down to ten cents a pound, that represents 25 pounds of sugar. When we put these apparently small amounts into sugar, beef, flour and so on, they are not so insignificant. When my right hon. friend comes to be supporting a family of nine or ten he will find that $2.50 means something. The memories of hon. gentlemen on this side are not as bad as the right hon. gentleman may think. He says to us tonight: Do not be alarmed about this army of officers who are to be appointed in the United States; the appointments will all be made by the Civil Service Commission. Well, ever since the Civil Service Commission was appointed we have been hearing that from the right hon. gentleman, but a few weeks ago he had to tell us that he had appointed over the heads of the Civil Service Commission 24,000 men in connection with the taking of the census. He has been cutting it down; he now says it is not that many, but those are the figures that he gave us in the first instance.

Sir GEORGE FOSTER: Let me tell my hon. friend, so that his argument may at least have one premise that is correct, that we are not employing that many men; we are employing about 12,000.

Mr. McKENZIE: Well, the principle is the same. It is bad enough when cut in two.

Sir GEORGE FOSTER: It is only half as bad.

Mr. FIELDING: Did not my right hon. friend himself say it was 24,000?

Mr. McKENZIE: Yes; I am taking the exact figures as first announced by my right hon. friend. Now he says it is 12,000; we will stay by that figure. But that means that 12,000 officials are appointed as a matter of patronage by the department of my right hon. friend over the heads of the Civil Service Commission. So that when the right hon. gentleman tells us that we have some protection in that Civil Service Commission we have to believe that it is more fanciful than real. If it takes 12,000 men to look after the census for 9,000,000 people, it will require ten times 12,000 to attend to the trade of 110,000,000. If there is to be any kind of service at all and the necessities of this law are to be met, there will have to be someone in every town, village and hamlet in the country where business is done. Then, all these officials will have to be paid, and the money must come from somewhere. They will be Canadian officials, and they must be paid directly or indirectly by the Canadian people. I, therefore, point out to my right hon. friend that it would be well not to suppose that we on this side are so very simple as to take any comfort in his suggestion that he is not going to make those appointments because the Civil Service Commission may do that.

Just one word more. The Civil Service Act was, perhaps, loose enough before, and there were too many loopholes through which too many ministers could break whenever it suited their purpose to do so. But now that we have in process of making the "Spinney" Bill so-called, it makes this ten thousand times worse than it was before, and the "Spinney" Bill so-called is ready for the purpose of putting through anything and everything that must needs

be put through the mill to suit the purposes of the Government and to meet the demands of patronage. There was in this House at one time an hon. member who had much pleasure in using the word "synchronize" and, perhaps, this resolution synchronizes with the "Spinney" Bill so that when the one goes through the other will be ready to facilitate the appointment of this army of officials.

Mr. MORPHY: May I just, for the benefit of the committee take up the subject from the point of view of the other nations of the world as applied to their operations in Canada?

The CHAIRMAN (Mr. Steele): I am afraid that that can scarcely be discussed on this resolution.

Mr. MORPHY: With all due deference and respect to the Chair, I promise to keep within the lines of the item before the committee. Until I make a breach in those lines, I hope the Chairman will not check me. In Appendix B to report of the Secretary of State for External Affairs for the year ended March 31, 1920, published by this Government, there is given "an alphabetical list of foreign countries represented in Canada by consuls, vice-consuls, consular agents, and trade agents, according to the latest information supplied to the Department of External Affairs." it proves, I think, the point that, whatever the people of Canada may think about this service, the people of other civilized countries of the world, who are presumed to know something about trade, many of those countries having vastly larger trade than Canada, have found it beneficial to have consular agents in other countries. This information shows that the following countries have consular agents in Canada: Argentine Republic, Belgium, Brazil, Chile, China, Colombia, Cuba, Denmark, Ecuador, France, Greece, Guatemala, Haiti, Honduras, Italy, Japan, Liberia, Mexico, Montenegro, Netherlands, Norway, Panama, Paraguay, Peru, Portugal, Russia, Czecho-Slovakia, Switzerland, United States. These foreign nations have at least 275 consuls or consular or trade agents in Canada. If these countries have in Canada such an extended service under the caption of trade officials of various kinds and consular agents for trade and other purposes, surely their experience should be a guide to the Canadian Parliament in the adoption of such a progressive policy as the minister contemplates in the resolution before the committee. I might point out that of these 275 trade agents of foreign countries in Canada, 92 are from the United States. What are they in Canada for except to benefit in some way the people of the United States? I point out to the hon. member for Red Deer (Mr. Clark) that Great Britain alone has in the United States 115 consular or trade agents; the United States have 1,002 agents in the various countries of the world, and with the experience of these older countries before us, surely the argument is overwhelmingly one way. These countries, with a larger experience than ours have seen the benefit of having trade representatives in the various countries of the civilized world, and unless someone can show that Canada can stand to lose by adopting a similar progressive trade policy at a time when our debt is $2,-
10 p.m. 000,000,000 over the ordinary debt and the only way of stabilising our exchange is by exportation, on the hon. member's own theory, of goods manufactured in this country to other countries of the world, this is an opportunity to press forward progressively and to expand our trade through the very medium which the minister has brought forward to-night.

Mr. THOMSON (Qu'Appelle): In what manner does Great Britain pay her trade agents? In the same manner as the United States or as recommended in this resolution?

Mr. MORPHY: Great Britain, being so anxious for trade and realizing that she gets trade through the medium of those agents, sends them out and pays them herself. She sees such advantages through these agents that she says: "Great Britain can afford to do that for the sake of trade." She is equipped for trade in a manner that Canada is not; she has been a trader from time immemorial; she knows the advantages; she puts 115 agents of that kind into the United States, and yet hon. gentlemen opposite say that we should not have one.

Mr. THOMSON (Qu'Appelle): I admit that I am one of those who asked that these trade agents be appointed. I must say, however, that at the time that I was trying to convince my right hon. friend, I did not think I was succeeding, and I do not think yet that I succeeded. I do not think that the arguments which I and others put forward in favour of trade agents affected him at all. The arguments that our hon. friends opposite put forward by way of protection did influence him. Apparently,

the suggestion now is: Have trade agents and put on a little more protection under cover, as we got a good deal of it on the Budget debate under cover.

Sir GEORGE FOSTER: My hon. friend's diagnosis is wrong.

Mr. THOMSON (Qu'Appelle): I do not think for a moment that we succeeded in having any effect on the minister; but apparently the arguments of the hon. member for North Perth (Mr. Morphy) and others had an effect, because it gave him an opportunity of slipping in a little extra protection under cover. I still believe that we should have trade agents. I quite agree with my hon. friend on that, but I think we are safer in following the example of Great Britain and the United States in this matter. It is quite true that there is something a little bit unreasonable about appointing trade agents to increase our trade when we are putting up barriers to prevent trade. We must, however, remember that those barriers have been put up. I should like to speak in answer to the argument of the hon. member for Red Deer (Mr. Clark). These barriers are up and we have to deal with existing conditions. The existing conditions are that governments on both sides have put up barriers, but the people still want to trade. It is quite proper that we should adopt some means to overcome those barriers to the greatest possible extent. Therefore, I am in favour of trade agents to overcome to a certain extent the barriers that are placed on the border by the Government on both sides. I believe those agents would not be so much needed if we had free trade. There again I disagree with my hon. friend from Red Deer with whom I do not often disagree in trade matters. I think that the proper and sensible way is to do away with the trade barriers, but as we cannot have that, I believe that this is the next most sensible way. While it is quite true that the increase in protection does not amount to anything like 2½ per cent on the average it will amount to that in some particular cases. I do not know what the average trade invoice amounts to, but assuming it to be $500 this tax will amount to half of 1 per cent, which my hon. friend is adding to the customs tariff. While I approve of the idea of having trade commissioners appointed, I cannot approve of this mode of paying them. I am therefore disposed to vote against the proposal. I believe that this scheme has been adopted for the purpose of increasing our customs tariff and for no other purpose.

Mr. PEDLOW: I would like to call the attention of hon. members to clause 4 of the resolution, which reads as follows:

> That section fifty-nine of the said Act be amended by adding thereto the provision that notwithstanding any of the provisions of the section, in computing the value for duty of the currency of an invoice, no reduction shall be allowed in excess of fifty per cent of the value of the standard or proclaimed currency of the country from whence the goods are invoiced to Canada, irrespective of the rate of exchange existing between such country and Canada on date of the shipment of the goods; and in respect of goods shipped to Canada from a country where the rate of exchange is adverse to Canada, the value for duty of the currency of the invoice shall be computed at the rate of exchange existing between such country and Canada at the date of the shipment of the goods.

With the latter part of this clause I have no fault to find but I do take decided issue with that part of the clause ending with the word "goods" in line seven. I notice by the press reports in the last day or so that a similar provision was incorporated in a similar resolution introduced into the United States Congress, but in their resolution the United States Government made provision for a reduction not to be in excess of 66⅔ per cent. They were therefore prepared to allow a greater reduction than is proposed in the resolution now before the House. After Congress had considered the proposition from all angles they decided to eliminate that provision altogether from the Bill. I should like to quote from the Toronto Globe of May 21 a despatch dated Washington, May 20, and reading in part as follows:

> The Emergency Tariff Bill is reported by the Conference Committee without the sixty-six and two-thirds per cent depreciation proviso. Foreign currencies will be converted into United States money at the rate prevailing at noon on the date of exportation, as promulgated by the Federal Reserve Bank at New York.
>
> The original amendment in this connection read:
>
> "That in the estimation and liquidation of duties upon any imported merchandise, the Collector of Customs or person acting as such shall not in any case estimate the depreciation in currency at more than sixty-six and two-thirds per cent."
>
> It was argued, apparently with effect, that this amendment went far beyond the purpose indicated in its name "'Exchange Equalization Measure," because it was based on a false assumption. The proposed measure assumed that the home market values in foreign countries had remained the same, having been little or not at all affected by the war and by the depreciation in the exchange rates.

The provision in the resolution before us is evidently based upon an entirely wrong assumption. It seems to have been assumed that the home market values in foreign countries had remained the same and had not been affected by the war and by depreciation in exchange rates, and that the Government should get the same amount of duty that it would have received had exchange remained normal the world over.

I also wish to quote from an editorial in to-day's Toronto Globe, covering the same point. It is so pertinent to the proposition under consideration, that I think I cannot do better than read it. The editorial is headed "Imports and Exchange" and reads in part as follows:

> The National Council of Importers at once produced evidence proving conclusively that the prices of goods affected by the proposed imitation of the depreciation allowance had advanced enormously, as stated in the currency of the countries of origin, and that "the greater the depreciation in currency the greater have been the advances in price." Tables were compiled and presented to the Senate Finance Committee showing that if even the proposed full allowance of 66 2-3 per cent for depreciation were allowed goods from Poland would pay 61 times the amount of duty now paid on the prevailing rate of exchange; from Austria, 21 times; Hungary, 17 1-3 Jugo-Slavia, 9½; Germany, 4.88; Czecho-Slovakia, 4.75; Rumania, 4; Serbia, 2¾; and Italy, 1 4-10 times the present rates of duty.
>
> In the case of Czecho-Slovakia, which constituted the most highly industrialized portion of the former Austrian Empire, an increase of almost five fold in the duties would have completely barred out the products of the Bohemian industries, that are slowly struggling to their feet. The Czecho-Slovaks are not "enemies" of the United States or Canada, and never were. They fought in the Austrian armies under compulsion, and whenever opportunity served they revolted and went over to the Allies, sometimes by battalions. When the Senate of the United States learned that the proposal to limit the allowance for currency depreciation would hit the friendly people of Bohemia just about as hard a blow as the unfriendly Germans, the proposed amendment was at once dropped and the system of computing duties at the current rate of exchange on the day of exportation will be continued, not only under the Emergency Tariff, but under the permanent measure now being drafted.

The editorial continues:

> The tariff jugglers who framed the Currency Depreciation clause of the Budget may have had their eyes on only two or three lines of goods in which Central Europe competes with existing Canadian industries. To prevent importation of these limited ranges of products they have framed a clause that would bar out every article of commerce from Poland, Austria, Bohemia and Rumania, as well as from Germany. That is a case of protection gone mad. When he sees how his proposal works out Sir Henry Drayton is not likely to press it. His advisers have led him into an untenable position.

[Mr. Pedlow.]

This is a clear-cut article, one that completely covers the position which I maintain, and I should like to hear a full explanation as to why this resolution is put forward to-night, and whether it is the intention of the Minister of Finance to press it to a conclusion. If enacted, it will cut out completely all merchandise coming from European countries. The citizens of this country buy many lines of goods from those countries which they cannot get at home, and I cannot see what good purpose will be served by a measure of this kind. It will have such far-reaching consequences that I am sure it cannot have been given mature consideration. It could not have been considered from all its angles or it would not have been proposed. It is quite evident that our sister country to the south of us perceived this mistake and corrected it before it was too late. I trust the Minister of Finance will reconsider his decision in the matter and eliminate this provision from the Bill.

Some hon. MEMBERS: Carried.

Mr. PEDLOW: No, it is not carried.

Sir HENRY DRAYTON: I entirely agree with the hon. member that the question is a serious one. It is not only serious for the German, but it is also quite serious for the Canadian. I think, however, my hon. friend will agree that it is hardly wise to discuss this matter in detail on the resolution. I venture to suggest that it can be more properly discussed in detail when the Bill is in committee, and that discussion may be, and ought to be, had without the slightest prejudice to any hon. gentleman because of the fact that the resolution is allowed to pass without detailed discussion. But there are two sides to the story; there are two sets of witnesses. We, of course, have very many of our own, and we can get exactly the same evidence which the hon. gentleman is referring to from the German importer. We do get certain evidence from independent sources. For example—and I want my hon. friend to note this, because we want to do the right thing—the mark, worth nominally 23.8 cents, has fallen to as low as 1.6, or perhaps 1.8 cents, which, I think, was the quotation to-day. The mark is still used as the national currency of Germany, and the German workmen are paid in the mark. The average rate of pay in territories not occupied by the Allies—I should hardly say the average rate, because the figure I am about to give is higher than the average—is now 200

marks a week. We will say that a full generous rate is 200 marks a week, and that gives a return to the German labourer of $7.20. Of course, the effect of selling German products in the Canadian market is to turn them into cents, and instead of bringing the German labourer here in person in competition with the Canadian worker, the sale of his products here indirectly does exactly the same thing. The result is that you have in Canada a situation exactly similar to that which you would have if you had a certain portion of industrial employees working at the rate of $7.20 a week, while many of our own men are paid perhaps as much as that a day. I am not arguing for high wages; I merely state what I think is approximately the case, and I submit it for the consideration of my hon. friend. Then there is another thing which has been established pretty well by independent evidence, and that is that there are two prices. The German Government to-day is following the principles of the German Government in the past, and perhaps is going a little further, in connection with assisting exports, so that there is a lower price for exports than the prices that prevail in the home market. Now it is quite true that costs in Germany have gone up, and it is equally true that costs have also gone up in Canada, and gone up pretty considerably. I will try to get an article, if I can, for my hon. friend's information, in which a calculation was made in regard to the Sheffield trades in connection with this very matter of the depreciation of German currency, and the extra costs in Germany as compared with the extra costs in England, pointing out how very far short of the amount of depreciation was the inverse increase in costs. How is it working out here, and what is the reason for it? There is unfortunately a large amount of unemployment at present with us. I have in mind at the moment a factory which last year employed 225 persons, I do not know whether men or women. That factory is now employing only 15, and there is a reason for that: they can get no orders. Their ordinary customers have been circularized that if they are wise they will not buy, and the reason for that advice lies entirely with the question of German importations at the present time. There are two things in regard to which I am quite sure my hon. friend is just as anxious as I am. He is anxious to see that the Canadian workman gets a square deal and that the factories are not closed; and, on the other hand, he is anxious to see that there should not be such a barrier as would work too severely against the German prices. But I would like to tell my hon. friend in connection with German prices quoted in this country that according to the information furnished me those prices have not the slightest relation to German costs. I am told that the selling prices of the German goods are fixed without regard to German cost, but that they have regard to the cost of Canadian production, and then the German manufacturers make such a cut beneath that cost of production as will prevent the Canadian producer from successfully competing. I admit it is a serious question and one which ought to be very carefully considered. My suggestion is—having given my hon. friend what he asked for, the underlying reasons for this—that, without the slightest prejudice to him or any other hon. gentleman, further discussion should be postponed until the Bill is considered.

Mr. CAHILL: How does the minister expect Roumania to repay the advances made to it when the currency of that country would only be worth about 4 per cent in Canada to-day, and the tax in this case would probably equal 200 per cent on Roumanian goods coming into Canada? This country has loaned money to Roumania and it is now proposed to tax that country beyond any possibility of its paying in goods for the advances. The Minister of Finance knows as well as any person that we are only likely to get payment in goods from Roumania or any other country in like position—that it is a matter of the exchange of goods and not of gold these days. Yet my hon. friend insists on increasing the duty on goods from Roumania, and other countries similarly situated, to the extent of 100 or 200 per cent. When he does that there is very little chance of his getting even the interest from Roumania and other countries on the loans that have been made by Canada to them.

Sir HENRY DRAYTON: I think the hon. gentleman forgets that Roumania is an agricultural country, and that we have somewhat of a surplus of agricultural products in this country at present. In Canada we have not a market for agricultural products. I quite admit it is a matter that must be thought over and worked out carefully.

Mr. CAHILL: What about Italy? The exchange is very much against Italy at the present time and it is not so much of an agricultural country. How about Greece, and the other countries that the exchange operates against in Canada at present? We are simply imposing an export tax in the case of countries which we hope to do business with that will prevent goods coming in from them; and it is not good business for Canada, or any other country, to put on a tax that will be absolutely prohibitive. It may harmonize with my hon. friend's idea of protection, but it is a case of protecting the smaller class too much and not sufficiently protecting the consumers of this country. The people who are paying the taxes and have furnished the money to enable these loans to be made want to get that money back, and the only way they can get it back is by importing goods from the debtor countries.

Mr. SINCLAIR (Guysborough): Will the minister tell us how he arrived at the 50 per cent fixed in the resolution? Was it by an arbitrary method, or did he select that figure because of representations made by commercial bodies?

Sir HENRY DRAYTON: I am afraid that would occupy some time and I do not think we should go into details at this stage. We can do that when we are considering the Bill; otherwise we shall have two very long discussions when one ought to be sufficient.

Mr. PEDLOW: The Finance Minister may be right in his view, but there are one or two matters I would like to bring to his notice so that they will be before him when he is bringing in his Bill. He stated that the average wage of a German workman was $7.20 per week. That compared with the wage paid in this country would seem alarming, but I submit that $7.20 in Canadian money would purchase a much greater amount of commodities in Germany than it would in this country. I am told that in Poland, which adjoins Germany, the Canadian dollar is worth seven hundred marks, or in other words, that seven marks are only equivalent to one Canadian cent. A somewhat similar condition prevails in Germany. Now this provision is apparently aimed at Germany, but why penalize all Central Europe on Germany's account? There are many countries in Central Europe that were friendly to the Allies during the war, and which are therefore entitled to special consideration at our hands. For that reason the United States Government, after considering this very same problem, decided to refrain from enacting a law of this kind. It is true, as the minister has stated, that goods are very often sold more cheaply in foreign countries than they are in the country of manufacture, but Canadian manufacturers are not immune from that same fault. Not long ago I heard a lecture by an eminent traveller in a committee room in this building. The member for Regina (Mr. Cowan) presided over that lecture and the member for Centre Vancouver (Mr. Stevens) was also present. The lecturer stated that in the interest of his concern he had travelled all round the globe and I think he said the journey occupied a period of two years. He travelled in the interest of the Canada Cycle and Motor Company, and he claimed that during the entire journey he had only met one live Canadian trade agent. I mention that in passing for the benefit of the Minister of Trade and Commerce who can make inquiry from my hon. friend the chairman on the occasion in question if he has any doubt on the point. The gentleman referred to also volunteered the information, in response to a direct question, that his concern sold its products cheaper in other countries than it did in Canada, so that Canadian manufacturers are evidently in the same boat as their competitors in other countries. The chief reason for pursuing this policy, I presume, is to get foreign trade. The minister has advanced the argument that this resolution is designed to help the unemployed in Canada. Well, in my opinion, if we adopt too many schemes of this kind to help the unemployed we will create a class of artisans and workmen in Canada that will be inclined to lie down on their job instead of getting up and going to it like men and competing with the world as they have done in some cases. They have done it in the manufacture of cream separators in Canada, and they have done it in the manufacture of binder twine. The member for Brantford (Mr. Cockshutt) is aware of that fact as he has one of those industries in his own city, and his claim is that that institution is a success because it is under capable management and that all it needs for complete success is to obtain the free importation of the raw material which it uses. That is proof of what I say, from the high priest of protection, the hon. member for Brantford. Now the Canadian workman must not be encouraged to lie down

on his job. I am afraid that all these schemes for protecting the Canadian workmen and trying to stop unemployment will fail absolutely to produce the result the minister has in mind. He says that German costs are framed with regard to Canadian costs. That is the system followed in manufacturing in all countries—the manufacturers frame their costs with the idea of competition. If it were not for competition it would be impossible to live in any country. Nevertheless if you frame the tariff along the lines suggested in this resolution you will absolutely shut out competition from Central Europe. That would be a mistake even in lines of merchandise that compete with the manufactured products in Canada. But it covers the whole gamut of manufactures, many lines that are not made in this country that Canadians must have, and if you shut them out by a tariff of this kind I am afraid that the minister will fall short of the object he has in view. He has my cordial support, and I can assure him that my action tonight is not with the idea of obstructing this measure or creating trouble for him, but rather to help him and the country generally in regard to the legislation which is passed in this House.

Mr. FIELDING: One thing is quite apparent, that the Government not only have abandoned the promise to revise the tariff, but are seeking ways and means whereby they can increase the tariff without frankly telling the people so. These resolutions afford evidence of it. It is quite clear that the pupose of this resolution is to increase the tariff. If my hon. friend wanted to accomplish that purpose, why did he not do it in a straight and clear way? Not many days ago in discussing our trade relations with the United States my right hon. friend said—and I thought there was a good deal of force in his argument—that by reason of the easy access between Canada and the United States and the large volume of intercommunication there was no need of trade agents being sent over there. That was the general trend of his argument, while of course he very fairly said he would give consideration to what was said on the other side. Now he comes in with a resolution to increase the difficulty of trading with the United States. It may be but small, but it is an increase in the tariff, and I am afraid we will have to reach the conclusion that that was the real aim of the resolution. I have no desire to encourage German business, and I would think that no matter how low the price the people of Canada do not want to buy German goods. I should think that any German trader seeking to sell his goods in this country to-day, no matter what price he wanted, would have difficulty in finding a market. But there are principles involved in this. My right hon. friend has given us quotations to show that the German mark is worth less than one-tenth of its former value, but by this resolution you are going to declare it is worth one-half its former value. Therefore you are giving a fictitious value to the goods and charging a duty on what they are not worth. Even though the German mark is worth really only about two cents, where formerly it was worth 24 cents, nearly all things are adjusted accordingly. The financial world has given its judgment of what is the real value of the German mark, and if the Government undertake to collect duty on the real value as established by the proper financial authorities no one could find any fault. Even that will make the duty very heavy. But as the hon. gentleman has said the German mark is worth really only about two cents, and he is going to value it for customs at twelve cents, his is simply adopting a roundabout way, by creating a fictitious value, of largely increasing the taxation which the people of this country are called upon to bear. I do not think it is sound policy, neither do I think it can be defended.

Will my hon. friend allow me to turn to section 3? There is a sentence there which strikes me as curious. It reads:

and by the added provision that the value for duty of new or unused goods shall in no case be less than the actual cost of production—

And so on. I do not quite understand what he means by "new or unused goods." Perhaps my hon. friend will tell me.

Mr. WIGMORE: Shop worn goods. For instance, goods that have remained on the shelves for some time.

Mr. FIELDING: They would not be new.

Mr. WIGMORE: New or unused goods.

Mr. FIELDING: Goods are always new until they are used.

Mr. WIGMORE: It often occurs that manufacturers or wholesalers have on hand goods shop worn or out of style, and they seek an opportunity to ship them into Canada and sell them at a reduced rate.

Mr. FIELDING: By the laws of Canada they ought to be sold at their fair market value. But in this section it is provided:

that the value for duty of new or unused goods shall in no case be less than the actual cost of production of similar goods at date of shipment direct to Canada, plus a reasonable profit thereon.

We have never had any such standard for customs purposes. What have we to do with the cost of production? We impose a duty on the fair market value of the article. If goods are old and shop worn, they have less value, and naturally the price depreciates. This is entirely a new idea. My hon. friend has no machinery whereby he can ascertain the cost of production. It is another attempt to boost the tariff without letting the people of Canada know what you are doing.

Mr. WIGMORE: As we all know, there is a surplus amount of goods in the United States, and manufacturers and wholesalers there are very anxious to dispose of them. They establish in the port of export a value by making a few sales here and there in order, as they suppose, to keep within the dumping law. There are scores of manufacturers and wholesale firms that have on their shelves goods that are shop worn and out of style, and they ship them in here at very much reduced rates, which is not fair to the Canadian producer and wholesaler. The idea is to establish what we consider a fair price for the cost of manufacture of these goods at the time of shipment into Canada, and thus prevent dumping. It is possible for us to establish that cost. This department has its own officers and can establish the cost of manufacture by sending them to various points in the United States to investigate and report.

Mr. FIELDING: I do not think my hon. friend now has or ever was intended to have any machinery to inquire into the cost of production. He has machinery to ascertain the fair market value. When my hon. friend says that American manufacturers or wholesalers have sought to establish a market value by an occasional sale here and there, his officials will tell him that that is a distinct evasion of the law, and unless the sales are bona fide and the real market value is established the dumping law will come into operation. There is abundant machinery to-day to give reasonable protection—if you call it protection—to ascertain the market value. If goods are old and shop worn they are not worth the cost of production, for they have suffered deterioration from various causes. But although goods are old and shop worn, and therefore of inferior value, and consequently would have to be sold anywhere at a very low price, the hon. minister is going to have an inquiry as to the cost of production—goods perhaps made in war time—and is going to insist upon that false value and make the Canadian consumer pay duty thereon.

Mr. WIGMORE: The hon. member for Queen's and Sunbury—

Mr. FIELDING: Sunbury is coming soon.

Mr. WIGMORE: I know a favourable report will come from Sunbury.

Mr. FIELDING: Perhaps so.

Mr. WIGMORE: These shop worn goods should not come in in competition with our own Canadian goods. As a matter of fact, we have the machinery there, it has been working in the past, and we have received information from our officers in the United States in reference to the cost of manufacture. We take what the cost of manufacture would be at the time of export from the United States.

Mr. COPP: How are you going to find it out?

Mr. WIGMORE: We have our officers there.

Mr. FIELDING: The hon. gentleman says these goods should not come in. Why? Because they are cheap. That is the whole story. The goods might be sold to the unhappy Canadian consumer at a lower price.

Mr. WIGMORE: It is just the same with German goods.

Mr. FIELDING: That is another question. The minister says he is going to impose a still greater duty. I have already discussed that question and do not want to go over it again. But here we have shop worn goods, which whether sold at home or abroad have to be sold at a reduced price. They have not the value they formerly had, but the minister is going to create a false value and make the Canadian consumer pay on it.

Mr. KENNEDY (Glengarry): In order to arrive at some opinion as to how this clause is going to work out, will the minister take one or two articles with which we are all familiar and tell us how he is going to arrive at the actual cost of production? There is a duty on butter coming into this country of about four cents a pound; the same applies to cheese and other

articles. How is the minister going to arrive at the actual cost of production of goods of that nature?

Mr. WIGMORE: I was not talking about products of the field; I was referring simply to manufactured articles.

Mr. KENNEDY (Glengarry): Does this clause not apply to all dutiable articles? Besides, is not butter a manufactured article?

Sir HENRY DRAYTON: Certainly butter is a manufactured article, and of course it would apply to butter. I am willing to confess that this discussion has one item of novelty to me, and that is the use of the word "shop-worn." I have no doubt it has something to do with the technical working out of the Customs Act. I could not very well discuss that aspect of the issue. But let us see, now: was it intended that the principle of the dumping clauses should function?

Mr. FIELDING: Yes, certainly.

Sir HENRY DRAYTON: The dumping clauses were put in to serve a useful purpose—to prevent a sudden change in selling price to the wholesaler or to the manufacturer here of protected goods brought in at a lower rate than they could be fairly sold for in the foreign market—that, is than they could ordinarily be produced for, plus something on top of the ordinary.

Mr. FIELDING: Not necessarily.

Sir HENRY DRAYTON: Well I do not think my hon. friend will argue that you can for very long continue to sell goods at less than the cost of production. The goods will not continue to be produced very long if there is not a little something over that cost in the shape of profit.

Mr. DAVIS: Is that the minister's contention with regard to German goods?

Sir HENRY DRAYTON: Well, I do not quite catch that point; I think it is rather an inverse question that the hon. gentleman is asking. I am discussing for the moment the improper invasion of the Canadian market and the protection to that market which the dumping clause introduced by the hon. member for Shelburne and Queen's was intended to afford. In normal times that dumping provision served its purpose and served it well. But trade in the United States to-day is no more normal than trade is in Canada. In some parts of that country it is even more abnormal than it is in Canada, and the result is that from time to time certain stocks are liquidated, and liquidated to some extent in the local market. Three, four, five or six local sales are made, sometimes, as we believe, for the purpose of establishing a local market value which really does not exist. So that in that way the dumping clause of my hon. friend can be evaded. I wonder if it is not a good thing that it should continue to be enforced. I just want to give my hon. friend an illustration. Three samples of goods were produced before me not long ago in connection with the question of the use of Canadian or English material on the one hand and American material on the other. The goods were ladies' dress wear, and I do not think any hon. gentleman could distinguish a difference between them. The price of one sample was $2.65; the price of another, $2.50 and the price of the third, $1.50—and the third sample was American. A quantity of that material was brought into this country. The manufacturer, of course, wanted to get a repeat order shortly afterwards but he could not buy a yard of it; that $1.50 was well below the American cost of production. It was a clean-out sale, and what good did it do here? There was not a cent taken off the ordinary price of the clothing when it was sold to the public, and you could hardly expect that there would be, because the sale of the material was an adventitious sale; it did not represent real value and could only be supported by one or two, perhaps three or four, temporary sales made in a limited area and for a specific purpose. The sending over here from the American market of a large amount of that material was no benefit to the Canadian public; on the other hand, Canadian factories and Canadian workingmen lost work. That is the sort of thing that the hon. member for Shelburne and Queen's wanted to stop, and he did stop it. But as I have said, these are not normal times, and the purpose of the resolution, as I understand it, is to provide that the value for duty purposes of such new or unused goods, goods which are not second-hand, shall be thus tested.

Mr. DAVIS: I think that the Chairman will be amused when I point out to him the fact that he has been the chairman of a committee on the fuel question which has been endeavouring to ascertain the cost of the production of coal and other fuels in Canada. The committee has been thus engaged for some weeks, and we are

quietly told by the minister now that he has the machinery by which he can determine, in relation to goods which are in a more advanced state of manufacture than coal, the cost of production in the United States.

Mr. DENIS: And in foreign countries.

Mr. DAVIS: And tell that in foreign countries. We wanted to get the cost in the United States of this coal that we have been inquiring about, and it is certainly very negligent on the part of that committee that it did not call those officials of the Customs Department to give it that information. That is a simple matter compared with what you are attempting at this time. The other day I stepped into one of the largest stores in Ottawa, and I happened to run across an old acquaintance who is now in charge of purchasing in that store. He showed me piece of goods after piece of goods which were selling a short time ago at from $7 to $11 a yard. They are selling the same goods to-day for $3, $3.50 and $4 a yard, and he told me that they were making more money on them now than they did when they were selling them at from $7 to $11 per yard. That just illustrates the condition of trade with which you are endeavouring to deal at the present time. Values are going down, are changing, because of the change in the cost of raw materials, and I think, Mr. Minister of Customs, you will have to have a very much more extensive staff than you have yet persuaded this side of the House, at least, that you have the command of, to keep in touch with that and not to work unjustly to the genuine importer of such goods.

While I am on my feet, I want also to comment on the next clause which has to do with this 50 per cent on exchange. I have just secured the latest quotations with regard to Italian exchange. At par it should be 19.3 cents for the lira. It is now 6.24 cents. Therefore, you would put a value of 9.6 or 9.7 cents on goods that have cost 6.24 cents; you will rate your customs upon the higher value, and the consequence is that, with a 20 per cent customs tariff, you have a 75 to 80 per cent duty. In the present state of trade, when there is a possibility that we shall not be able to sell to the United States in the measure that we have sold to that country in the past, due to their unfriendly, if I may so call it, customs, we want to find other markets, and if we find markets to sell in, we have to take goods back. One of those prospective markets is Italy. Our trade in the past with that country may not have been very great, but this measure is distinctly designed to kill that trade. We cannot take goods from them; they cannot afford to sell us goods on which we have to pay a duty of 75 or 80 per cent, and that is what this means. When I spoke on this question the other day, I was somewhat concerned as regards France and Belgium whom I felt we should not turn our sword against at this time. With the German indemnity, their exchange is up around 9.77 cents, which is just over the half way mark, so that they will probably not be touched, because I think, with the continuance of the payment of that indemnity, their condition will be improved, and they will be out of reach of this most unfriendly measure. But with regard to Italy and other European countries, to which, it will be understood, we must look for increasing markets for our produce, you are going to make it impossible for them to exchange goods with us.

11 p.m.

Mr. FIELDING: I regret the Minister of Finance (Sir Henry Drayton) has formed quite a misconception as to the purpose of the dumping duty. He is labouring under the delusion that the dumping duty was designed to prevent the people of Canada from getting cheap goods. It was not designed to do anything of the sort. Those who brought about the dumping duty were perfectly willing that the people of Canada should get cheap goods, provided that that cheapness was the cheapness of the market generally. What was the condition that the dumping duty was intended to meet? There are notable cases which arise in my mind now where an American manufacturer, having a large quantity of goods which he desired to sell, was prepared to sell in Canada at a lower price than he sold at home. Our complaint was not that he sold the goods cheaply. As long as he charged the Canadian buyer the same price as he charged his home buyer, there was no dumping. But when he created a fictitious price, where he charged one dollar in the United States and offered to sell the same goods for 75 or 80 cents in Canada, we felt that that was not a legitimate transaction, and it was to meet that sort of thing that the dumping clause was designed. As long as there is created for the Canadian market a price which is not the real price at home, the dumping clause comes in.

It provides an ample duty; the machinery is in the hands of the Minister of Customs, and there is no need of anything more. When my hon. friend repeated the argument that special sales are made to establish a price, I say, without a moment's hesitation, that the Customs Department is not bound to accept and it will not accept those sales. In the earlier days of the dumping duty, there were some difficulties. It was described by an eminent English statesman as a piece of freak legislation. As time went on and the efficient officials of the department got a good grasp of the question, the thing worked out quite well. The only thing to be determined is: Is this a fair price as quoted in the home market? The design was not to prevent the people of Canada from getting cheap goods. If an article is made cheap on account of a surplus in the market, or by changing conditions, or if raw material is cheaper, or if one of the hundred and one things that enter into the cost of production is cheapened and the article is thus made cheaper, and it is as cheap in Canada as in the United States, there is no reason in the world why we should impose any barriers to keep it out. The real purpose of this proposed legislation is to create a fictitious price in order that you may increase the duty, which many people think is high enough already, but which, in some instances, would be made double what it would otherwise be.

Mr. LALOR: I think the impression that we had in Canada of the dumping clause was that it was to prevent Americans from shipping goods in here under the price at which those goods were sold in the United States. When the dumping clause was in force under the hon. member for Shelburne and Queen's (Mr. Fielding), I know from experience in general as regards machinery, canning machinery, for instance, which is expensive and which we use a great quantity of, the price, when the machinery came to the border, has been raised under our Canadian dumping clause from $600 to $1,000, and we have had to pay duty on that for any number of machines running into quite a large amount of money. That was what the dumping clause did for us. I think we all agree as regards the purpose of it, and I do not see much difference between that and the present legislation. We must not forget what the Americans did as regards us. I have had experience in regard to shipping goods into the United States, and they have all this machinery for which the minister is now trying to provide. It is said by speakers on the other side that it is impossible to carry out this legislation, to get at the values and to assess the duty. The people of the United States are doing it; they have no difficulty at all in doing it; they assess the value, and they hold up the goods until they get the value.

Mr. MACLEAN (Halifax): Does the hon. member mean "value" or "cost of production"?

Mr. LALOR: I mean value.

Mr. MACLEAN (Halifax): That is different.

Mr. LALOR: They get at the value and the cost of production. I have in my possession a letter from a firm in Canada which has 50 cases of a certain line of goods lying at Black Rock. They are trying to get them into New York, having sold them there. These goods have been held at that point for nearly three months. The United States authorities have given no reason at all why they should not go through. The goods are properly valued, but they raise every objection and every obstacle they possibly can. Let me give an instance. A year or perhaps two years ago a branch factory that we have in the United States wanted to get something that we had in Canada, which we had imported from England and which they could not get at that time in the United States. They asked us to send over a certain quantity and we sent a thousand pounds of these goods to our own factory in Buffalo. The United States sent an appraiser from Washington to examine our books and go over our invoices in our home town at Dunnville. The officers reported that everything was fair and square, and they did not see why there should be any difficulty at all, but in the face of that report those goods were held in Buffalo, and we were fined $1,200 for undervaluation. There was no undervaluation at all. We had bought the goods in England, and we added to them the freight and took advantage of the exchange for profit. I even referred the matter to Ottawa to see if they could not investigate this awful imposition of a fine of $1,200, but they reported that it was according to the American law and that there was no use talking about it. You have to show a profit of 10 per cent on your goods or you cannot pass them. That is the way they treat us. Surely we are not going to treat them as generously as some hon. gentlemen would have us do. The values are raised and everything is done to prevent you shipping to the United States.

Mr. FIELDING: It is not a question of how we should treat the American shipper but of how we should treat the Canadian consumer. We are not concerned if the American Government acts foolishly. It is not for us to follow their example. Their method may be good or it may be bad, but if that is the result of the determination of the American people to do business in this way the scheme we have been discussing on this resolution of sending over there a lot of trade agents to sell our goods would be a waste of money. But we are not concerned about the American people. We are concerned about the people of Canada who are going to pay this tax and who are going to be made to pay an extortionate duty which is not boldly mentioned in the tariff but is brought about in this round about way.

Mr. WIGMORE: In reply to my hon. friend from Glengarry and Stormont (Mr. Kennedy) there is no question of valuing the cost of production of butter or cheese; it is so much per pound, not on the cost of production at all.

Mr. DENIS: I propose to demonstrate that this clause by which no reduction shall be allowed in excess of 50 per cent of the value of the standard or proclaimed currency of the country from whence the goods are invoiced to Canada will have the effect in some cases of raising the duty 500 per cent.

I take the Weekly Bulletin of April 25, 1921, published by the Department of Trade and Commerce, and I find that on April 20 —this is not quite up to date, but there is no difference between the quotation of that day and the quotation of to-day—the German mark, which has a parity value of 19.8 cents had a value of 1.72 cents; that the Italian lira which has a parity value of 19.3 cents, had on that date a value of 5.45 cents, and that the Roumanian lei, which has a parity value of 19.3 cents, the same as the franc and the lira, had on that day the value of 1.81 cents.

Now, to prove my assertion, I will take the actual value of the German mark and the actual value of the Roumanian lei, which are about the same. Suppose that certain goods were bought in Roumania and sent to Canada, and that they had a valuation of 100 lei in Roumanian money. In Canadian money these goods would have a value of $1.81. If the duty on these goods was 25 per cent, it would amount to 45 cents. Now, if we take into consideration the fact that in order to give currency one-

[Mr. Lalor.]

half its nominal value we have to multiply it by five, it means that we have to take five lei at the present time to be equal to a lei in ordinary times. Therefore, if I multiply this duty of 45 cents on 100 lei of merchandise by five, the duty that will be paid on these goods will be $2.25, or five times more than the duty that would be charged if the actual cost of these goods was taken into account; in other words, a duty of 500 per cent more than the ordinary duty. The effect of this provision will be to close entirely this market to Germany, to Roumania, and to Italy, unless double the duty is paid on Italian goods. As was stated quite correctly a few moments ago by an hon. gentleman on this side of the House, France will not be barred from this market, because the French franc is about half its parity value now. But the other countries which I have just mentioned, which are in a position to sell goods cheaply to the Canadian consumer, will be debarred from doing so by the duty which is absolutely prohibitive.

I find in this scheme an indirect, or perhaps a direct, way of raising the duties on goods. When the tariff duties were discussed and drafted, we took into account the fact that the goods were to be valued, not according to the standard of Canadian money, but according to the price at the place where they were bought. By this stratagem in the resolution before us we are simply raising the customs duties all the way from 100 to 500 per cent. Therefore, the consumer will have to pay as high as 500 per cent more duty on goods coming from the countries I have just mentioned than he would have to pay if this proposal was not accepted.

I think I have said enough to demonstrate that this is simply a method of raising the duty on goods coming from certain countries, the duties on these goods, of course, having to be paid by the Canadian consumer. We are altogether losing sight of the fact that the poor people of this country are still laburing under the burden of the high cost of living. The only way at present of reducing the cost of living is to admit such goods as I have mentioned, but by raising the customs duties some 500 per cent, by the method that has been explained, these goods will certainly be kept out of Canada, and the Canadian consumer will not be able to obtain his requirements at reasonable price?

Mr. CAHILL: The member for Guysborough (Mr. Sinclair), asked a question

to which I also should like to have an answer, and that is as to how the Government arrived at 50 per cent as a fair basis to start on. I am entirely opposed to the principle of this section, and I want some explanation as to how this 50 per cent has been arrived at.

Mr. WIGMORE: This is a matter of exchange which the Minister of Finance can better deal with.

Mr. CAHILL: Where is the Minister of Finance?

Mr. WIGMORE: He is on the other side at present.

Mr. PEDLOW: Perhaps the Minister of Trade and Commerce (Sir George Foster), will oblige us with an explanation.

Sir GEORGE FOSTER: Let something stand for discussion when the Bill is under consideration.

Mr. CAHILL: I am opposed to the principle of the resolution, and if we allow the resolution to pass, we adopt the principle.

Sir HENRY DRAYTON: In arriving at these figures one can only approximate. There are many different statements as to how costs have gone up in Germany. It is stated that owing to the low standard of living of the German worker to-day, the cost of production has not very materially increased there. The hon. member is conversant with the details of the steel business. German pig iron can be produced and put on the export market at 500 marks a ton, and that shows a very slight increase in the actual cost of manufacturing. The hon. member will also realize that the relation between increased cost on the one hand and depreciation of currency on the other is a material question, and we should also bear in mind what has happened to our own currency. The arguments which hon. gentlemen opposite have made in connection with the loss of buying power of the Canadian dollar have also to be considered. If those arguments are at all right, it is hardly fair that the German mark should be taken at the lowest possible standard and the Canadian dollar held up to practically its pre-war basis. It is therefore difficult to arrive at anything like a scientific basis, and I think we should probably discuss the question to better advantage when we are in committee on the Bill, when we should be able to see what modifications or extensions ought to be made. It may be that something should be done in connection with other considerations not yet fully covered, as for instance, the question in regard to Czecho-Slovakia already mentioned.

Mr. CAHILL: Is it not the intention of the Government practically to prohibit importations from certain countries? That is undoubtedly what the minister has in mind. Well, why penalize other countries? Personally I would not penalize Germany any more than Greece, Roumania, Belgium, France or England. We went through the process of adopting and signing the treaty, and were told that we were at peace with the Central Powers, and if it is the intention now to penalize them to the extent of prohibiting their goods, we had better declare that we are still at war. If this does not mean that we intend to penalize these people, then it must be our intention to penalize the Canadian people. If the Canadian cannot buy his goods where he wants to and pay the duty on them, you are merely adding to the cost which the consumer has to pay; or you are attempting to prohibit importations entirely. Let us understand just what is the intention.

Mr. PEDLOW: A matter of importance is the relative position of the Minister of Finance and the Secretary of the Treasury in the United States. Whereas the Secretary of the Treasury was prepared to concede a reduction of 66⅔ per cent, our Minister of Finance gives a reduction of only 50 per cent. In addition to that there is also the further prohibition of the exchange rate. In connection with goods purchased from Central Europe, some 10 or 15 per cent must be added to the cost on account of exchange. If the Minister of Finance insists on a prohibition of this kind, the exchange rate should be taken into consideration.

Mr. COPP: I understood from the Minister of Customs (Mr. Wigmore), when he introduced the resolution, that it had virtually been in effect since 1918 through Order in Council.

Mr. WIGMORE: What I said had no reference to this resolution; I referred to the amalgamation of the two departments.

Mr. COPP: It seems to me that my hon. friend would have made much more rapid progress with his resolution if he had given to the committee the information that was given by hon. gentlemen on the other side. I was very much impressed with the arguments made by my hon. friend from North Perth (Mr. Morphy), my hon. friend from Simcoe (Mr. Boys), and my hon. friend from Muskoka (Mr. McGibbon), in regard

to certain matters on this resolution. What I contend is that the Minister of Customs and Excise has not given a sufficient and proper answer to the arguments adduced by hon. gentlemen opposite who took up time this afternoon, as they had a perfect right to do, in bringing these matters to his attention. For example, in answer to the hon. member for North Perth (Mr. Morphy), who is not now in his seat, as to what occurred by reason of the operation of the present law and the necessity for its amendment so as to provide relief in cases of hardship—a matter which arose in connection with section 7—the minister replied that his officers had been over-efficient.

Mr. BOYS: He said over-officious, not over-efficient.

Mr. COPP: I accept the correction. But if the minister said his officials were over-officious I would take that to be a criticism of them. On account of that over-officiousness the minister said the department had shown leniency in regard to the special case brought to his attention. One would naturally suppose from that statement that the fine imposed had been remitted by the department, but when the question was put to him by my hon. friend from Guysborough (Mr. Sinclair) as to whether the fine had been collected he said it had been. Now if such defects as these are shown in the operation of the law, now is the time to correct them and not wait until we have approved of the principle of the resolution. If we do make the amendments now, we will be told when the Bill founded upon the resolution is introduced "Oh this is only carrying out the resolution as it passed the committee." Then my hon. friend from Simcoe (Mr. Boys) raised the question as to what this resolution really means. Now it seems to me that the minister seeing that he has his officials around him, and had time, during the recess from six to eight o'clock, to confer with them, ought to be able to tell the committee what the resolution really does mean and what its affect will be in the carrying on of business throughout the country. No person wants to interfere in any way with the passage of this resolution, or of the Bill to be founded upon it, if the legislation proposed is really in the interests of the country. But he is very reticent in the explanations he has been giving not only to hon. gentlemen on this side but to hon. members around him as well—in fact most of the criticisms of the department, and of the resolution my hon. friend is moving, came from hon. gentlemen opposite in the early part of the discussion this afternoon. It ought to be easily possible to give full information touching the first clause of the resolution which has been in operation I understand for upwards of two years. Besides suggesting to my hon. friend that he should make some general statement in regard to the meaning and affect of the other clauses of the resolution, I would ask him to explain how the changes made by Order in Council in 1918 have worked out. Has there been a saving to the country by the amalgamation of the Department of Customs and Inland Revenue which are henceforth to be known as the Department of Customs and Excise? I would like him to explain how the amalgamation has worked out in particular localities, whether it has been found to be an advantage or a disadvantage. For example in the city of St. John has the amalgamation of the two departments resulted in a saving or has it involved additional expenditure? Then I would like to know what the affect has been in other parts of the province of New Brunswick, how it has operated throughout the country generally? It seems to me the committee would like to have a frank and open statement from the minister in regard to all these matters. It he had done that earlier in the discussion we might have got along very much more rapidly than we have been doing but we have been obliged to draw out explanations in regard to every little item in every clause—practically as regards every sentence almost in each clause.

Mr. WIGMORE: I thought I had already given considerable information to the committee. Clause 7 of the resolution provides:

> That section one hundred and eighty of the said Act be amended to provide that the certificate of a provincial analyst shall be accepted as evidence of the alcoholic content of the beer or wash suitable for the manufacture of spirits.

Out of that arose the discussion of section 180 of the Act dealing with stills, and so forth, which I read to the committee this afternoon. What is now proposed does not change the section in question. It merely contemplates the appointment of an analyst. Formerly an analysis could only be made by the officers of our department. What we now want to do is to have that analysis made by a provincial officer or an officer of the Health Department. This section has been on the Statute Book for thirty-five years and that is the

only change that is now proposed to be made with respect to it.

As far as the amalgamation of the two departments is concerned it has been operating satisfactorily for the last year, the Civil Service Commission, under the guidance of the Re-organization Committee suggesting certain changes in each department in Ottawa and in the Outside Service as well. Certain recommendations have been made by this committee on re-organization and to some extent those recommendations have been carried out. My hon. friend from Westmoreland has spoken of the affect of the amalgamation in the city of St. John. Well, certain reductions in the staff have been made there, and greater reductions will be made in the future, but the work is being performed under the reduced staff resulting from amalgamation as efficiently as it was carried on by the former larger staff. Now as to other cities. In Montreal the Customs Department was established in a building in one section of the city, and the Inland Revenue Department in another building in another section of the city. The two departments have been brought together in the one building, and certain reductions of the staff have taken place there. The same applies to Toronto. From reports that we have received not only from our officers but from outside, it is apparent that the work is being carried on to the greater satisfaction of the public generally. We will effect quite a saving by the amalgamation. It is a pleasure for me to accommodate hon. gentlemen, and if I can furnish any further information I shall be happy to do so.

Mr. ARCHAMBAULT: What is the policy of the Government when the two departments are amalgamated? Does the Civil Service Commission make the change? A case was brought to my attention at St. Hyacinthe, where Dr. A. P. Cartier had been the collector of inland revenue for seven years, and M. Handihan, collector of customs. Dr. Cartier was the younger man, had always given good service, and was perfectly fitted for the position, but now by this change he loses his position. What is the policy of the Government regarding these matters?

Mr. WIGMORE: All these changes are made on the recommendation of the re-organization committee to a sub-committee of council. In that particular case the collector of customs was also made collector of inland revenue, and it was therefore necessary to dispense with the services of the other man.

Mr. ARCHAMBAULT: Who are the parties forming the reorganization committee?

The CHAIRMAN (Mr. Steele): This discussion might be proper when the Estimates of Civil Government in connection with the Department of Customs and Inland Revenue are before the committee, but on this resolution it is quite out of order.

Mr. ARCHAMBAULT: I would like to bow to your ruling, Mr. Chairman, but the minister has just given the policy of the Government regarding the amalgamation of the two departments, and he invited members to put questions. I am sorry to understand that the chairman of the committee and the minister differ.

The CHAIRMAN (Mr. Steele): Order. The Chairman has given his ruling, which is not debatable. Apart from that, the fact that the minister invited questions, does not make the discussion in order.

Shall the resolution carry?

Some hon. MEMBERS: No.

Mr. ARCHAMBAULT: Will the minister tell us the personnel of the reorganization committee that he has spoken of?

The CHAIRMAN (Mr. Steele): I hope it is not necessary for me to repeat my ruling.

Mr. ARCHAMBAULT: I respect your ruling, Mr. Chairman, but the minister has just spoken about the reorganization committee. I submit that it is perfectly in order to ask him who are the parties forming that reorganization committee. It is a very simple question that it might be in the interests of the people to answer.

Sir GEORGE FOSTER: Mr. Chairman, we shall have items before the committee on which that question will come up and be thoroughly discussed. Would it not be well for my hon. friend to leave this extraneous matter until then?

Mr. ARCHAMBAULT: Two words will satisfy me.

Mr. CASGRAIN: He might be away when the question comes up.

Sir GEORGE FOSTER: Oh, no, he is going to stay here.

Section agreed to.

Resolution reported, read the second time and concurred in.

Hon. R. W. WIGMORE (Minister of Customs and Inland Revenue) thereupon moved for leave to introduce Bill No. 211 respecting the Department of Customs and Excise.

Motion agreed to and Bill read the first time.

IMMIGRATION ACT AMENDMENT

On motion of Hon. J. A. Calder (Minister of Immigration and Colonization) Bill No. 139 to amend the Immigration Act was read the second time, and the House went into committee thereon, Mr. Steele in the Chair.

On section 1—non-immigrant classes:

Mr. CALDER: I would suggest that we consider this section clause by clause. I know some members—not present to-night—are interested in certain clauses of this Bill and wish to make representations in regard to them, and I think, even if the clauses are passed, it might be on the understanding that any hon. gentlemen who desire to raise any question in regard to them shall have the privilege of doing so later. With regard to the first proposed amendment, I may say that under the law two classes of persons are defined, immigrants and non-immigrants. Immigrants must go through a certain procedure which is not required of non-immigrants. Among the non-immigrant classes there are included the following: members of dramatic, artistic, athletic or spectacular organizations entering Canada temporarily for the purpose of giving public performances or exhibitions of an entertaining or instructive nature, and actors, artists, lecturers, priests and ministers of religion, authors, lawyers, physicians, professors of colleges and commercial travellers entering Canada for the temporary exercise of their respective callings. During the last two or three years the international trade unions have made representations that their accredited representatives who are required to come to Canada from time to time should be included in the description of non-immigrant classes, and there is no reason why they should not be so enumerated in this section. As to the second proposed amendment, under the law as it now stands there must be an officer at a place before it can be designated as a port of entry. It is proposed that a port of entry shall be any place so designated by the minister. The change is a very simple one, purely for administrative purposes.

Mr. LEMIEUX: How many ports of entry are there now?

Mr. CALDER: I should say seventy, probably eighty.

Mr. PARENT: Is it the intention to add to this number?

Mr. CALDER: No. It may be found necessary to designate a place temporarily as a port of entry. It is not for the purpose of increasing the number of the ports of entry.

Mr. PARENT: Has the Government any control over a person who enters this country from Europe and shortly after reaching Canada goes to the United States?

Mr. CALDER: No, we cannot prevent that. The third amendment is to paragraph (q) of section 2. The term "enter Canada" is applied throughout the law to non-immigrants and "land in Canada" to immigrants. A number of amendments are included in the Bill, some for the purpose of including the terms "enter" and "or land in," which happened to have been left out when the consolidation took place some two years ago. Here it is proposed to insert in paragraph (q) the words "or land in" in order to cover the two classes. The fourth amendment merely inserts the words "passengers or other persons" in the definition of "immigrant station." The law as it stands refers only to immigrants.

Mr. LEMIEUX: Might I suggest to my hon. friend that he give instructions to certain immigration officials who are a little too fussy? We had a very striking example the other day when a distinguished visitor to Canada and his wife were subjected to very severe treatment on the part of the immigration officers.

Mr. CALDER: I am having some difficulty along that line more or less all the time. I am sure the hon. gentleman can understand that these officers are very anxious to carry out the law. Sometimes, though, they may use bad judgment and, in the exercise of their discretion, not do just the right thing. Whenever any matter of that kind comes to my attention I always communicate with them with the object of having the law sanely and reasonably administered, as it should be.

Mr. LEMIEUX: My hon. friend knows to what I refer?

Mr. CALDER: Yes.

Section agreed to.

On section 2—Board of Inquiry:

Mr. PARENT: What are the powers of the board of inquiry contemplated in this section?

Mr. CALDER: They have power to prevent the entry or landing of either an immigrant or a non-immigrant.

Mr. LEMIEUX: Subject to appeal?

Mr. CALDER: Yes.

Section agreed to.

On section 4—hearing of cases:

Mr. CALDER: Previously this referred to "such" board. Now, you may have two or three boards at any one port. Therefore, we are inserting the word "a" in place of the word "such", so as to cover all boards that may be carried.

Section agreed to.

Section 5 agreed to.

On section 6—costs of appeal to be paid by unsuccessful appellant.

Mr. CALDER: Under the law as it now stands, if a person is rejected by a board of inquiry, that person is required to make a deposit of $20 for himself, and if he has any dependants with him, $10 for each dependant, in order to pay for the cost of his maintenance during such time as the appeal is pending. We propose that, in addition to his paying for the cost of his maintenance, we should include the costs or expenses of the appeal. Supposing a person comes from some European country; he lands at Quebec; our officers there decide that he should be rejected because he does not comply with the law. Immediately he and his friends get busy and they want action taken very quickly. This means a great deal of telegraphing and telephoning, and the aggregate cost of this to the department amounts to a very large sum. It is desirable on the other hand that there should be quick action from the standpoint both of the department and of the party concerned. Our officers think it is only fair in those cases where it has been decided to hold up an intending immigrant, that the immigrant himself, if he has been rejected by a board of inquiry, should pay the cost of telegraphic and telephonic communication. To the individual the cost may not mean very much, but during the year the cost to the country runs into thousands of dollars. The purpose of this amendment is simply to require that an immigrant who has been rejected and who appeals should pay the cost of those communications.

12 m.

Mr. WHITE: What happens if the man is of very limited means and is not able to pay?

Mr. CALDER: If he has not the money, I presume we would have to pay for this.

Mr. LEMIEUX: My hon. friend speaks of large costs. I cannot see how the cost should be so very large. Of course, during the time which elapse between the appeal and the decision of the department, the man has to pay for his maintenance. Let us say that in immigrant lands at Quebec to-day; he is rejected, and he has to remain, say eight days in Quebec before taking the boat or having a decision on the appeal lodged with the department. What is the average cost for maintenance?

Mr. CALDER: The cost of his actual maintenance would be comparatively small. In the contract which we have just let at Quebec for catering, the successful caterer has agreed to give three meals for 75 cents.

Mr. LEMIEUX: Are there costs for the forms to be filled in?

Mr. CALDER: No.

Mr. LEMIEUX: Only the long distance telephoning and telegraphing.

Mr. CALDER: That is all. Supposing a man comes from Great Britain and some questions are raised as to his right of entry into Canada. Very frequently we have to cable two or three times before we get the required information. Sometimes, half a dozen communications will be sent out to some place in British Columbia in order to get quickly exact information as to a man's right to be in Canada. The cost of all this to the individual may be comparatively small, but I can assure the committee that it runs into many thousands of dollars for the department.

Mr. PARENT: Supposing the immigrant does not speak either English or French. Will he have to pay the cost of an interpreter?

Mr. CALDER: No.

Section agreed to.

On section 7—powers of board exercised by officer in charge:

Mr. CALDER: The law, as it now stands reads that where there is no board of inquiry at a port of entry or at a neighbouring port to which a person detained under this Act could conveniently be con-

veyed or to which a case for decision could be conveniently referred, then the officer in charge shall exercise the power. We are cutting out that portion of the clause that relates to a board of inquiry at some other place nearby. It has landed the department in all sorts of trouble, and under that clause as it stood, we have lost one or two cases under habeas corpus proceedings.

Section agreed to.

On section 8—bill of health.

Mr. CALDER: Clause 8 provides that the form of the bill of health shall be approved by the minister. The present law does not state how that form of the bill of health is arranged for.

Section agreed to.

On section 9—medical examination:

Mr. CALDER: Under the law as it stands, this clause reads: "medical officers appointed under this Act." They are not appointed under this Act now; they are appointed under the Department of Health Act, and, therefore, the words "appointed under this Act" are struck out.

Section agreed to.

On section 10—landing of passengers:

Mr. CALDER: There are no radical changes. The first amendment is that section 33, subsection 1, is struck out and a new clause substituted. The only change in that is as follows: The law as it stood stated that:

Every passenger or other person seeking to enter or land in Canada shall first appear before an immigration officer—

That is changed to read:

—shall first appear and make application to an immigration officer at a port of entry—

The words "at a port of entry" are inserted. He shall make application at a port of entry. That is the spirit of the whole law:

—for permission to enter or land in Canada—

We put in both expression again.

—and shall be detained for examination—

As the section reads now:

He shall be forthwith examined as required under this Act.

Then the clause goes on:

—which shall be conducted forthwith on shipboard or on train, or at some other place designated for that purpose.

[Mr. Calder.]

This is simply to make the present law a little clearer.

The second amendment is an addition to subsection 2, and it is a rather important one. It provides a penalty for answering questions falsely. We have officers, say at Niagara or Windsor or Quebec or Halifax, and these immigrants are coming in and they are required to answer questions. They are coming in from the United States on the train in the second or third class car, and our officer goes through and asks certain questions. Their answers are taken down. Of course, the officers have not time to take an affidavit from every man or anything of that sort. Now the proposal is that if these questions are not answered truthfully a penalty follows.

Mr. PARENT: On that very point, I have had occasion before to call the attention of the minister to a situation that has existed to my own knowledge where officers have been putting questions in English to persons speaking only the French language and coming to a country where both languages are official. With the law as it is now drafted, I presume the same situation will continue to exist, and that immigrants from Belgium and France will be submitted to the same trouble that immigrants from those countries have had in the past, of having no one on the boats or on the trains to put the questions in French. That is the situation now, it was the situation a year ago, and in the years before that. The hon. minister promised a year ago that he would remedy this situation, but he has not done so. He comes here now with a new Bill, leaving the situation just as it was before. I would like him to give a little attention to this very important matter. Desirable immigrants from France and Belgium are put to all kinds of trouble due to the immigrant officers not being able to put their questions in the French language.

Mr. CALDER: We will have to get the matter straightened out.

Mr. PARENT: How will it be done?

Mr. PARENT: Where in this Bill will you put the few words that are necessary to make it law?

Mr. CALDER: It is not necessary to have it in the law.

Mr. CASGRAIN: It is better to have it in the law. Ministers may change.

Mr. CALDER: The third amendment inserts only the words "enter or" in one

part. There is also a contradiction between subsections six and seven of the present law. Subsection six provides:

> Every person who enters Canada except at a port of entry shall forthwith report such entry to the nearest immigration officer,

and so on, while the very next subsection provides:

> Any person who enters Canada except at a port of entry. . . . shall be guilty of an offence.

The two subsections are contradictory. It is proposed to change subsection six to read:

> It shall be a violation of this Act for any person to enter Canada except at a port of entry.

The section will then be in conformity with all the other sections of the law.

Mr. PARENT: Suppose the person is an actor or an athlete who does not come through a port of entry, but may be travelling on the high road. Would this apply to him?

Mr. CALDER: The law reads that it shall be a violation "for any person to enter Canada except at a port of entry". It would not make any difference whether he was an actor or an athlete. If he does not come in through a port of entry, he is violating the law as it now stands. That is the provision that runs all through the Act.

Then subsection 9 is changed slightly. This clause provides a penalty for transportation companies or persons interfering with the immigration officers in the discharge of their duties. The law now reads: "Any transportation company or person interfering with or resisting." We are inserting after "company" the words "director, official or employee thereof, or any person interfering with," and so on. Then further down in the subsection it says: "assisting in the escape of any person detained." We are putting in after "detained" the words "in the custody of an officer." The only real difference between the law as it stands and this amendment is that we are including the officers of transportation companies or any other person that interferes with an immigration officer in the discharge of his duties. Then the words "entry or" are inserted before "landing".

Section agreed to.

On section 11—immigrants may be required to possess prescribed amount of money:

Mr. DENIS: I understood that each male immigrant was required to have $250. This section provides that the amount may vary "according to the nationality, race, occupation, or destination of such persons."

Mr. CALDER: We are making only a very slight change in the existing law. Under the existing law we may make regulations fixing whatever amount may be deemed advisable. For the present that amount is fixed at $250 except in the case of farmers, farm labourers, domestics and so on.

Mr. LEMIEUX: Is that the maximum or the minimum?

Mr. CALDER: That is a fixed amount; there is no variation at present under the regulation. Now, the changes in the existing law are these: We propose to apply the principle of a money qualification, not only to immigrants but to non-immigrants as well, that is, to tourists, travellers, artists, etc., because we found case after case, within the course of the last year, where people of these classes had got into Canada and become a public charge. We are simply taking power, if advisable, to fix a money qualification for such people. I do not know that the power will have to be used to any extent, but it might be advisable to apply that regulation to certain of these non-immigrant classes. There is one other change in the section. The law now provides that the amount may vary according to race, occupation, or destination. We propose to add the word "nationality."

Mr. PARENT: Is there any question of religion?

Mr. CALDER: No. These are the only two changes in the first part of the law. In the last part, provision is added to the effect that passports shall not be recognized unless issued within a time limited by the regulations, or unless viséd in the manner required.

Mr. WHITE: The minister gave me information in regard to farm labourers from the British Isles, who he said were not required to meet the money qualification. Does that statement apply to farm labourers from other countries, say, for example, Austria?

Mr. CALDER: Yes, unless they come within the prohibited classes.

Mr. WHITE: That is to say, alien enemies, like Germans?

Mr. CALDER: Yes.

Mr. WHITE: I ask the question because I have had some inquiries on the subject.

Mr. LEMIEUX: Apart from former enemy immigrants, is there any policy of discrimination in the department against certain countries, such as Spain, for instance, or southern Italy? Is there a bar to immigrants coming from those countries? I understand that the department does not encourage immigration from the southern portions of Europe, but I suppose it is within its discretion, whenever a proper immigrant comes from those countries, to admit him?

Mr. CALDER: That is right; there is no bar. We may not encourage immigration from those parts, but if an immigrant is mentally and physically desirable, and has the necessary money prescribed he is not rejected.

Mr. CAHILL: Does the minister think he will have to enforce the clause with regard to the money qualification so far as tourists are concerned?

Mr. CALDER: I doubt it, as regards tourists. The non-immigrant class is very wide, and includes a very large number of people. I am advised by the officials of our department that we have had a number of cases where people have come in under that guise and have become public charges on the community, and it may be advisable as regards some of them to require the money qualification.

Mr. CAHILL: Were these people generally Americans, or were they from overseas?

Mr. CALDER: I do not know.

Mr. CAHILL: Because, if the minister starts to require the money qualification from American tourists, he will discourage a great many Americans from coming here.

Mr. CALDER: We will not do that.

Mr. PARDEE: The matter is left wholly in the discretion of the immigration officers at the different ports.

Mr. CALDER: No.

Mr. PARDEE: Suppose a tourist wanted to enter Canada, would he have to satisfy the local immigration officer as to his fitness, and so forth, if he comes within that class? Any such wide power given an officer of the department seems to me to be dangerous.

[Mr. Calder.]

Mr. CALDER: I entirely agree with that, and I have very much doubt as to whether this provision would apply very largely to tourists. As I pointed out, these classes of people are non-immigrants, such as members of dramatic, artistic, athletic, or spectacular organizations entering Canada temporarily for the purpose of giving performances or exhibitions, and actors, lecturers, priests, and ministers of religion, authors, lawyers, professors of colleges, and commercial travellers. These are all non-immigrants. I dare say what the department is aiming at is the control of the strolling circuses and bands of that kind coming for the purpose of giving exhibitions. Many of them become public charges in Canada.

Mr. LEMIEUX: Travelling in Europe a year ago I found that the authorities there were just as drastic in their restrictions as we are in Canada. For instance, passing from Dover to Boulogne or Calais, or from the Italian boundary to French territory, you have to sign many official documents, and sometimes show your purse to prove that you have the necessary amount exacted by the authorities.

Mr. CALDER: We do not yet know what inconvenience means in this country.

Section agreed to.

On section 13—investigation of complaints—deportation—cost of deportation.

Mr. CALDER: This is the section that was included in the Bill last year introduced, although not passed, in the Senate, and reintroduced in this House by the member for Quebec East (Mr. Lapointe). Two years ago, a clause was inserted in the Immigration law dealing with persons guilty of sedition, and provision was made for their deportation. It is proposed to repeal a portion of the section in the law as it now stands. The section at present provides that it shall not apply to any person who is a British subject either by reason of birth in Canada or naturalization in Canada. It is proposed to amend it so as to read that the section shall not apply to any Canadian citizen. There is a wide difference between the two. "Any Canadian citizen" would include a person who came to Canada from the British Isles, was here for a short time, and acquired domicile in Canada. The old law did not provide for that. If a person came from the British Isles and acquired domicile here, say four or five months, he would be

subject to deportation under the old law. He is not, under this amendment.

Mr. LEMIEUX: That is, the amendment moved by the member for Quebec East.

Mr. CALDER: Yes. Then it is proposed that subsection 2 of said section should be repealed as it is retroactive in its character.

Section agreed to.

On section 15—cost of deportation after five years.

Mr. CALDER: This is simply using the words "any person" instead of the word "immigrant." That is it includes non-immigrants as well as immigrants.

Section agreed to.

On section 16—form e amended.

Mr. CALDER: That is merely to carry out a provision that was not corrected two years ago when the law was amended. It is in one of the forms.

Section agreed to.

On section 17—form ee amended.

Mr. CALDER: That is for the same purpose; it is merely amending a form that was not amended a few years ago. I propose to leave the Bill in committee because some hon. members who are not here to-night are interested in it. I would therefore move that the committee rise, report progress, and ask leave to sit again.

Motion agreed to.

CHINESE IMMIGRATION

On the motion of Hon. Mr. Calder Bill No. 146 to Amend the Chinese Immigration Act was read a second time and the House went into committee thereon, Mr. Steele in the Chair.

On section 1--all immigrants must establish identity to satisfaction of controller subject to approval of minister.

Mr. LEMIEUX: Please explain this.

Mr. CALDER: The reading of the section will explain nothing at all unless the members of the committee have the Statute before them. Under section 7 of the law as it stands, persons of Chinese origin entering Canada are required to pay a head tax of $500 unless they belong to what is called "the exempt classes." Paragraphs a, b and c, of this section set out the exempt classes:—members of the diplomatic corps and other proper representatives, children born in Canada of parents of Chinese origin who leave this country for educational purposes, and so on. Then paragraph c includes merchants, their wives and minor children; clergymen, tourists, men of science, teachers, clergymen and students. Now in so far as these exempt classes are concerned they become exempt if they substantiate their status to the Controller of Chinese Immigration, or if they produce certificates of identity issued by the proper officers of the Chinese Government. These certificates of identity must also be countersigned by British consular officers or other representatives of His Majesty's Government in China. To be quite frank, during the course of the last two years, particularly this last year—very largely on account of conditions existing in China, because they have not stable Government in the whole of China—the administration of the law has fallen down very badly in connection with these certificates of identity.

Mr. LEMIEUX: Canton.

Mr. CALDER: Yes. We had a good deal of trouble during last year, and a very large number of these people got into Canada under these certificates who should never have entered the country. After going into the matter very fully, we have come to the conclusion that, for the time being at any rate, the only thing to do is to repeal that clause and simply provide that when these people come forward seeking to enter Canada they must substantiate their status as men of science, or as teachers, or as students, or as merchants, to our Controller of Chinese Immigration.

Mr. LEMIEUX: By what means?

Mr. CALDER: By any means they choose. Let them bring forward any evidence they can to substantiate their status, but we cannot continue to depend on these certificates of identity that were previously used. I had to send an officer all the way to China to take the matter up with the Chinese Government and the British authorities there, which has cost us a great deal of money and the conclusion we have come to, after going into the whole matter very fully, is, as I say, for the time being to abolish these certificates of identity. It is the only safe course to pursue.

Mr. LEMIEUX: At the same time I am sure my hon. friend would not stretch this regulation to such an extent as to bar those who, under the law or under the comity of nations, are admissable now. I

know that we must not encourage fake immigrants to come from that country to Canada, but if the matter is left entirely to the discretion of departmental officers I am afraid it might work injustice in some cases. I do not say it would, but it might. Is the matter left entirely to the discretion of the officers of the department?

Mr. CALDER: No, not entirely as the section reads "who shall substantiate their status to the satisfaction of the controller subject to the approval of the minister." I doubt if there would be the slightest trouble with members of the diplomatic corps.

Mr. LEMIEUX: I know, as a matter of fact, that during the past two years, as my hon. friend says, in view of the laxity of Government control in Canton, passports and papers were signed by the hundreds and thousands not only for Canada but for the United States. Under those conditions I quite understand that the department is not willing to accept as bona fide documents such papers as have been presented within the period mentioned. On the other hand there are certain Chinese immigrants who, under the comity of nations, are entitled to be admitted into any country, such as merchants, clergymen and students. There are many Chinese students in the universities, and it should be easy for our officers to detect who is who.

Mr. CALDER: That is just where the trouble lies. For instance, in the first five months of last year from January to June we admitted forty-five merchants, but during the year we admitted no less than 1,309, who came with certificates of identity.

Mr. LEMIEUX: What about students?

Mr. CALDER: We applied the student law a year ago. We got in about 2,000 in one year.

Mr. DENIS: They were all students.

Mr. CALDER: Yes, and they came with certificates of identy.

Mr. PARENT: There is always something to learn.

Mr. CALDER: There will be no difficulty in regard to members of the diplomatic corps, Chinese clergymen, and similar men, but as regards the other class, until such time as there is stable government in China we feel that this is the only safe course to pursue to protect ourselves.

Mr. LEMIEUX: I am in sympathy with the object of the law, but I differ with my

hon. friend as regards the indiscriminate stoppage of the student class. I believe in the Chinese student.

Mr. CALDER: So do I, but we found most of them in the laundries.

Mr. LEMIEUX: I believe in the Chinese student because he will take back to his country some of the ideals of Canada and of the United States, which I think will work for the reformation of China. Does my hon. friend believe that so many students go into the laundry business or something of that kind. I am surprised that they should come for other purposes than entering our universities.

Mr. CALDER: We have no trouble with the student class now.

Mr. MACKENZIE KING: The minister says he sent an officer to China. Have the members of the Chinese government approved of his method of proceeding?

Mr. CALDER: I would doubt that.

Mr. MACKENZIE KING: The United States have had a good deal of trouble in dealing with immigration from China. Are the powers the minister is seeking under this legislation similar to the powers they have in the United States?

Mr. CALDER: I cannot say, I have not examined the American law.

Mr. CURRIE: We are not legislating for the United States, but for Canada.

Mr. MACKENZIE KING: I hear the hon. member saying that we are not following the legislation of the United States.

Mr. CURRIE: I say we are not legislating for the United States but for Canada.

Mr. MACKENZIE KING: Certainly, but we want to benefit by the experience of the United States. I should think one of the first steps the Government would take before drafting a Bill of this character would be to benefit by the experience of other countries. For that reason I ask the minister whether he has taken the trouble to find what methods the American Government are employing.

Mr. STEVENS: They are following the action of the minister in preventing an influx of students.

Mr. MACKENZIE KING: My impression was that this Bill based on the methods the United States had adopted.

Mr. CALDER: I have not looked into the matter at all, but I shall be very much interested to know the course they are following. My own impression is that outside of persons belonging to the diplomatic corps and other similar classes, the question whether Chinese immigrants shall enter the United States is determined by their officers, which is the way we are proposing here. Our difficulty at present is that the Justice Department has advised us that as our law entitles these people to enter Canada when they produce these certificates, we could not keep them out, no matter if we were certain they were misrepresenting their status. If the law were operationg properly, I should very much like to see the provision stand as in the, but we have had so much difficulty in the last two years that it seems the only course open to us is to change the law.

Mr. MACKENZIE KING: I think it is desirable—

Mr. CURRIE: Carried.

Mr. MACKENZIE KING: If my hon. friend wishes the Bill to be carried he will have to behave a little better than he is behaving at the moment. I think it is desirable in every way that Chinese immigration should be restricted, and that fraud should be prevented as far as possible, but any one who knows the Chinese will realize that they are very sensitive and very quick to appreciate courtesy. The American Government have been at great pains to avoid offending China in any way, and I think we should be equally careful. While I am most anxious that proper restrictions should be imposed, I should be sorry to see our Government placed in a position where any of these oriental people may feel that we are acting towards them more arbitrarily than our neighbours to the south. If the minister can give us an assurance that his action is not liable to be misconstrued, I think his measure is a perfectly safe and sound one.

Mr. CALDER: I will not take the Bill out of committee. I shall inquire how the American law is so we may know exactly what others are doing in this regard.

Section agreed to.

On section 3—definition of prohibited persons in Immigration Act made applicable to Chinese:

Mr. CALDER: There is a difference in the two sections. We are simply making them the same.

Section agreed to.

On section 4—refund of tax on return within two years:

Mr. CALDER: I should like to have the views of members, especially of those from British Columbia, in reference to this section. Under the present law if a Chinaman goes back to China, and wishes to return to this country, he must obtain a certificate before leaving and if he returns within one year that certificate gives him the right to re-enter without again paying the head tax. It is proposed to extend that term to two years.

Mr. PARENT: Does the minister mean that if a Chinamen goes back home he will get a refund of the head tax of $500?

Mr. CALDER: No. Under the law as it stands when he leaves Canada he gets a certificate from our department, which entitles him at any time within one year to return to Canada without again paying the head tax. Now it is proposed to extend that time from one year to two years.

Mr. LEMIEUX: A large number of Chinese persons who come to Canada return to China for the accomplishment of certain rites in their native country. China is passing through a revolutionary period and that condition may continue for some years. As the Chinese who return to their own country may be detained on this account, or for family or other reasons, it seems to me that this extension of time is Christian in its character and I stand by it.

Section agreed to.

On section 5—power to arrest prohibited persons:

Mr. DENIS: What change is made by this clause?

Mr. CALDER: The first change is to make this law conform with the general Immigration Act in respect to the definition of prohibited persons. Under the law as it stands, if a person belongs to a prohibited class he may be either imprisoned or deported. We have cut out the imprisonment and made the person liable only to deportation. Then there is a provision that the question whether a person is liable to deportation shall be determined by the controller.

Section agreed to.

The CHAIRMAN (Mr. Steele): Shall I report the Bill?

Mr. MACKENZIE KING: If the minister will give any required information

on the third reading, I have no desire to keep the Bill in committee. It can be re-committed if anything important comes up.

Bill reported.

CRIMINAL CODE AMENDMENT

On motion of Hon. C. J. Doherty (Minister of Justice) Bill No. 138, to amend the Criminal Code, was read the second time.

On motion of Mr. Doherty that the House go into committee on the Bill:

Mr. MACKENZIE KING: This is a very long Bill, and I do not think that the minister ought to attempt to go further with it in committee.

Mr. DOHERTY: I would not suggest that we take up anything about which there should be the slightest difference of opinion. There are a large number of clauses; I think quite a number would give rise to no discussion at all, and these we might deal with. It is not impossible that any that develop any very serious objection might be dropped altogether.

Mr. DENIS: The question whether or not a clause is continuous is a matter of opinion. The few members who are here might not think them contentious, but others who are not here might take a different view.

Mr. DOHERTY: I will take the other man's opinion on that point, not my own.

Mr. MACKENZIE KING: I think the minister will make as much progress with his Bill if he does not attempt to go on with it at this hour.

Mr. DOHERTY: Very well.

Motion agreed to, and the House went into committee on the Bill, Mr. Steele in the Chair.

Progress reported.

MESSAGE FROM THE GOVERNOR GENERAL

ACKNOWLEDGEMENT OF ADDRESS.

Mr. SPEAKER announced that he had received a message from His Excellency the Governor General. The message was read to the House as follows:

Devonshire.

Gentlemen of the House of Commons:

I have received with great pleasure the Address that you have voted in reply to my Speech at the opening of Parliament and thank you for it sincerely.

On motion of Right Hon. Mr. Doherty the House adjourned at 12.53 a.m. Tuesday.

[Mr. Mackenzie King.]

Wednesday, May 25, 1921

The House met at Two o'clock.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

SALES TAX—1921

Mr. REID (Mackenzie):

What was the amount of the Sales Tax collections for April, 1921?

Hon. Mr. WIGMORE:

Domestic, $2,186,649.80; importations, $686,569.34; total, $2,873,219.14.

QUESTION PASSED AS ORDER FOR RETURN

Mr. LEMIEUX:

For a copy of all correspondence and any report made by engineers to the Department of Public Works in connection with the work done by Camille Gagné, diver, at the wharf of Grande-Rivière, in the county of Gaspé, Qué.

CHINESE IMMIGRATION ACT, AMENDMENT

An motion of Hon. J. A. Calder (Minister of Immigration and Colonization), Bill No. 146, to amend the Chinese Immigration Act, was read the third time and passed.

COPYRIGHT ACT AMENDMENT

House again in committee on Bill No. 12, to amend and consolidate the Law relating to Copyright (as amended)—Right Hon Mr. Doherty,—Mr. Boivin in the Chair.

Mr. FIELDING: Will the minister please give a general explanation of the matter in controversy between the several parties interested in this measure?

Mr. DOHERTY: As the committee is aware, this Bill, after second reading, was sent to a special committee, whose report returns the Bill with a certain number of amendments. Copies of the Bill, printed as amended, are on the table of the House at the disposal of hon. members.

The CHAIRMAN: It would be more regular if the Chairman were allowed to call at least one clause. At present there is nothing before the committee.

On Section 1.—Short Title.

Mr. BUREAU: Are the amendments which have been made indicated by brackets in the Bill as now printed?

Mr. DOHERTY: I am afraid they have not been. However, when we come to

them, it will, I think, be easy to indicate them; they are not exceedingly numerous. The member for Shelburne and Queen's (Mr. Fielding) suggest that I should make a general statement with regard to the matters which have been in controversy in connection with this Bill and which are embodied in those amendments that may be considered important. The matter that has been controversial in connection with this Bill results principally from the contention, from what may be called the authors' side, for an absolute right of control of the reproducing of copies of their works, and the claim advanced from the other side, on behalf of publishers and printers in this country, for an assurance to them of an opportunity to participate in the production of what may be called the material part of the work; and the principal work of the committee was to endeavour; if not absolutely to conciliate those opposing claims, at least to arrive at an enactment of provisions which would respect, in some measure, both contentions. So far as the authors are concerned, the Bill, as originally drawn fully recognized in principle their right to copyright. It did contain, as originally drawn, certain clauses providing for the issuing of a license with regard to each work to a publisher in Canada, where the author of the work did not print, or provide for the printing of, his work in Canada. These clauses went exceedingly far. The Bill, as it now is before the committee, modifies very considerably the provisions of the Bill as introduced, and the modifications are all in the direction of giving a wider protection to the author, and limiting in consequence the rights conferred upon the publishers or printers. Just to take one instance of the kind of thing in which the Bill as amended differs from the Bill as introduced, I may say that in the Bill as introduced it was provided that when an author did not print in this country, it was open to a publisher, upon making application, to obtain a license which, under the provisions of the original Bill, continued in effect during the whole term of the copyright; and as that term is fixed at the lifetime of the author and a period of fifty years afterwards, the author found his work—because he was not prepared to print it in Canada—for that entire period subject to the control, so far as Canada was concerned, of the fortunate licensee.

Mr. FIELDING: Without compensation?

Mr. DOHERTY: Oh no, there was provision for compensation. That also is modified. Now we have modified the Bill so that the license shall be either for a fixed period of time, which the Bill provides shall not exceed five years, or for an edition or a number of editions of the work.

Mr. BUREAU: Is that under section 14 of the Bill?

Mr. DOHERTY: It has become section 13 in the amended Bill because section 13 of the original Bill was struck out. Now, in addition to this limitation as to the time of the duration of the license, or its restriction to a specified number of editions, the Bill has been modified as regards the rate of compensation. The Bill as introduced provided a fixed rate or royalty of 10 per cent on the sales price of the book. It was pointed out that that did not operate to do justice—that there are some works upon which perhaps 10 per cent might be a high royalty and that, on the other hand, there are other works on which, their intrinsic merit or perhaps those qualities which make them count among "best sellers," might justify the author in claiming a larger royalty. In particular it was brought to the attention of the committee that there are not a few authors who, in other countries, command a royalty of 20 or 25 per cent, and it was pointed out that in their cases it would be obviously not just to enable a Canadian publisher to give forth an edition of their books at a lower royalty in competition with the publishers of other countries who may be at liberty to export their books here, and who are paying the author a larger royalty. The method adopted to meet that situation is to provide that in each case the parties respectively—the publisher applying for a license and the author—shall be heard by the minister and have opportunity to place before him the different circumstances bearing upon the question of what would be a just royalty; and the minister is empowered—after so hearing the parties or after notice to the author—to determine the royalty that ought to be paid. He is also empowered to determine the number of editions that are to be published and the term of years they are to run, and any terms or conditions which the circumstances of the case may demonstrate to be necessary to be inserted in the license and to which the licensee shall be subject. Now on those two matters, those are the substantial changes that have been made. The committee trust that the changes will

commend themselves to the judgment of the Committee of the Whole and of the House.

The other matter, which gave rise to a good deal of discussion and difference of opinion, has to do with the question of copyright in connection with phonographic discs and the rights of the author. It applies mostly to musical publications, and to the right of the author when copies of his work are made by means of the production of discs to be used in phonographs and other mechanical contrivances whereby songs are reproduced. In that connection it is to be pointed out, that the maker of the discs gets a copyright himself in the disc that he has made. Nobody is entitled to make copies. If I have made a disc from an original plate, nobody has a right to reproduce copies from that disc, so that the manufacturer of the disc gets a substantial advantage in that regard. The discussion, however, did not turn on that. The discussion turned upon the adjustment of the rights respectively of the author of the work reproduced in this way and those of the person reproducing. The clauses in that regard have not been substantially or materially changed by the committee. As regards the question of remuneration the provision of the Bill as originally introduced was that the author of a piece which was so reproduced—

The CHAIRMAN: I must ask hon. gentlemen to refrain from conversing in the chamber. A moment ago, two hon. members who are trying to follow the explanations given by the minister called my attention to the fact that it is absolutely impossible to hear what the minister is saying, and looking around the chamber I saw only eighteen gentlemen speaking to others.

Mr. DOHERTY: I am glad to realize that this time inability to hear what I am saying is not attributable to the weakness of my voice, because I have been striving to make myself heard. As I was saying the Bill as originally introduced provided, as a remuneration to the author whose work was used for the purposes of reproduction upon these discs, a royalty of two cents per disc. In Great Britain the remuneration consists of a percentage on the selling price of the disc. In the United States it consists of a fixed rate which rate is the same amount that this Bill proposes, namely two cents. I do not recall that we have had any remonstrance on the part of the authors as regards the amount. The manufacturer however, has claimed very strenously that this two cents a copy is too high. On the other hand it is to be pointed out that when the Bill was originally drafted the draftsman proceeded by adopting the English system of a commission upon the selling price. The manufactureres themselves urged a fixed rate rather than a percentage rate, and the Bill as originally drawn accepted their contention in that regard. It would seem to one that perhaps it would be a more reasonable system to proceed by a percentage rate. However, it is to be realized that perhaps it is difficult, with regard to reproductions of the kind in question, to arrive at a very satisfactory conclusion as to what the percentage rate ought to be; and indeed it is difficult even in the case of a fixed amount to give any very definite and logical reason why you select a particular amount rather than another. It must be borne in mind when it is a question of reproduction of copies by means of these mechanical contrivances that you reproduce also the work of somebody else than the author. For instance, suppose it is a song, before the disc can be made the song has to be sung by somebody, and in a large number of cases, if not indeed in the majority of cases, it is pointed out, as I think must be readily conceded, that the great value of the disc consists not so much in the fact that it reproduces the particular song as that it reproduces the execution of that song by a particular artist. A song sung by other good singers and reproduced upon a disc will never command the sale that the same song sung, for example, by John McCormack or some other great operatic singer would command. So it is difficult to find any logical basis for the determination of the particular amount that ought to be paid. Having met the view of the manufacturers as to the manner in which this should be imposed, and having in mind the fact that in the United States this rate of two cents has been fixed and, so far as we could ascertain, has given rise to no serious complaint, the committee, after very fully hearing argument in support of the contention of the manufacturers that it should be reduced, thought that the course of wisdom was to adhere to the two-cent rate. There is an additional reason for our adopting that course in the fact that we have always to keep before our minds the necessity of not so legislating as to deprive our authors of the advantage of copyright in the other

countries concerned, and more especially in the United States. Under the United States system, in order that the copyright of authors of other countries should be recognized within that country—which recognition is effected by means of a proclamation of the President—it is essential that the officers there should be in a position to certify that an American author has under the law of the other country as large a protection as the law of the United States extends in like cases. It will be necessary to come to some arrangement with the United States, and I will have a word to say about that when we deal with the final clause of the Bill which provides that it comes into force only upon proclamation. Naturally we can foresee that if we give a less degree of protection as regards reproduction of copies by these mechanical contrivances, applications by our authors for copyright in the United States might be open to objection there.

I think I have covered what were really matters of contention before the committee and with regard to which the substantial amendments made by the committee have a bearing.

I should like to impress upon the committee the importance of our adopting a copyright act, even if it should not appear to us that this attempt has resulted in perfect success. It will be much more easy to arrive at a satisfactory conclusion concerning most of the matters upon which there is a difference of opinion when some system has been tried and we have experience of how it works. The argument before us in regard to these matters turns upon what was apprehended would be the consequences of one disposition or another. From that point of view I think it important that we should make a start.

I should like also to call attention to the very unsatisfactory condition in which our legislation upon this subject stands at the present time. Copyright in this country is now governed partly by Imperial Acts of 1842 and 1886 and by a Canadian Act of 1889. As I understand it, any one who obtains copyright under the Imperial legislation holds it without regard to the provisions of our law, and it certainly is not desirable that our legislation should be in that condition, for it gives rise to confusion. In 1911 Great Britain passed a Copyright Act—and I may say in parenthesis that a large part of the present Bill is a reproduction of that Act—and in the other Dominions legislation has been enacted following the example of Great Britain. In that Act of 1911 it was especially provided that it should extend only to the self-governing Dominions whose Parliaments declared it to be in force, and power was expressly given to repeal the British legislation to which I have referred so far as it was in operation in any Dominion.

Mr. BUREAU: That legislation only had effect because we in Parliament so legislated.

Mr. DOHERTY: No. The contention was that the copyright Acts of 1842 and 1886 had effect in Canada without regard to any legislation of ours. I do not recall the year, but Sir John Thompson had a very protracted discussion with the Home authorities on that point in connection with the copyright measure that he desired to introduce. I do not know whether that discussion was ever published, but it certainly is very interesting. No conclusion seems to have been reached at that time, but in 1910 or 1911 the late Hon. Mr. Fisher went to England in connection with the copyright legislation which was then contemplated by the Imperial Government, and as the result, as I understand it, of his insistence along the line of argument which Sir John Thompson had developed, the Imperial Parliament passed this special enactment recognizing our authority to repeal that legislation.

Now, if I have not made it absolutely clear to the committee, I hope I have at all events conveyed some idea of what seems to me the very unsatisfactory condiiton in which we stand with regard to copyright legislation. Then, although this is a minor consideration, it has its importance. In the present condition of our legislation we stand as a sort of outsider in the general community of nations which have interested themselves in the subject of copyright. We are not in a position to give our final adherence to the amended Convention at Berne, and I may say that we have had at various times representations from the Powers that are parties to that Convention pressing upon us that we ought to come into the general community. In France and in England a great deal of interest is taken in this subject. I may say that the authors of France in particular find it difficult to understand why we are not willing to co-operate in the general movement for the protection of the rights of authors. In that country a very special importance seems to be attached to that right. I hope, therefore, that it will be possible for us to enact this legis-

lation. Of course, I do not ask or expect that hon. members who may find that there are grave defects should not seek amendment. I would ask, though, that as far as possible the importance of our getting a law passed which may form the basis of future improvement should be borne in mind. Since 1911 this matter has hung in suspense. In that year the late Hon. Mr. Fisher introduced into this House a Bill following very closely the British legislation and, consequently, in very large measure similar to this one. Since that time, if I am not mistaken, there have been at least two attempts at improvement. A Bill was passed through the Senate, I think, two years ago, it did not succeeed in passing this House. Last year we had a Bill before this House, but it seemed so difficult to get at any conclusion which could be reasonably expected to conciliate the contending interests that the matter had to be dropped. This session, I may say on behalf of the committee and on behalf of the special officer charged with this subject of copyright, very assiduous efforts have been made to bring about a measure which, if not absolutely meeting the view of all interested, may at least prove acceptable; and I myself have endeavoured to give what little aid I could in that regard. I therefore commend the measure to the considerate consideration of the committee.

Mr. FIELDING: I desire to thank the right hon. gentleman for the explanation he has given; I am sure it will prove to be very helpful. May I ask now, referring to the first part of his remarks, whether the conclusions that the committee have reached are very satisfactory, or is there still conflict between the author and the publisher? Are these interests fairly satisfactory, or is there still conflict between the author and the publisher? Are these interests fairly satisfied with the compromise which has been reached?

Mr. DOHERTY: With regard to the author, I may say that his contention was that there should be no licensing system; that he should be, as matter of right, the sole person controlling the reproduction of his work. We have not been able to meet that requirement, but we did receive a memorial from the Authors' Association, in which, after putting forward that contention, they went on to indicate in detail what were the particular things in the Bill as introduced which in their view failed to do them justice. I think I may safely say that each one of these particular objections has been fairly met. Perhaps on the part of the Canadian authors the strongest ground of objection was that by this legislation we exposed them to losing their copyright in the United States, because we were making legislation which, as they considered—and I think it probable—would not be looked upon as acceptable by the United States. This legislation recognizes, as to all of the Copyright Union countries and as to all their authors, copyright in this country. It is not possible to treat in the same way authors of the United States, because that country does not form part of the Copyright Union. There are, however, provisions in the Bill enabling the Governor in Council, whenever it is possible to certify that the law of any country not in the union gives as efficient protection to our authors as our law does to theirs, by proclamation to extend the advantages of this Act to the country in question. Furthermore, once we have a definite law not necessarily an immutable law, but still a definite law—which we can submit to the American authors—for their consideration, there is every reason to expect that we shall be able to obtain from them a recognition of the sufficiency of our law similar to that which they have already granted to the law of Great Britain. That done, all the danger which the Canadian authors apprehend would disappear. I think I may say that their representatives felt quite reassured, when we pointed out that it was intended not to bring the Act into force save by proclamation, and that the purpose of making that provision was to enable us to be quite sure that we had a law that would operate to obtain for them protection in the United States and that, being satisfactory to Great Britain, would assure to them protection there. The representatives of the authors who came before us were satisfied upon that point, and that seemed to be the thing to which they attached the greatest importance.

Mr. MOWAT: The committee, I may say, fully considered the representations of the different interests—the Canadian Authors' Association and the English Authors' Association, called the Incorporated Society of Authors, Playrights, Composers, and others. I think I can say that the committee gave every possible consideration to what was advanced by the contending parties, and that it regards the Bill as now reprinted as the safe course between the two, if any great difference

does exist, which I very much doubt. The trouble in Canada has been that under the present Copyright Act one of the conditions for the obtaining of copyrights is that the work in question shall be printed in Canada. Section 6 of the present law, Revised Statutes, chapter 62, section 5, says:

> The condition for obtaining such copyright shall be that the said literary, scientific or artistic works shall be printed and published or reprinted and republished in Canada.

This was felt by the authors to be a hardship, and it may be that with a continuance of the clause requiring printing in Canada in that definite way, we would not be able to take advantage of our participation in the Berne Convention, which was arrived at on the part of the principal civilized countries of the world in 1886 and again, in what is known as the Revised Berne Convention, in 1908. We now have a Bill which protects each interest as far as possible. Instead of providing that the works shall be published in Canada—a provision which the printer, publisher and book-binder wants, and which he has hitherto in draft Bills succeeded in getting—we have substituted a license provision, requiring, not that the author shall state his intention of not printing in Canada as in the original draft of the Bill, but that if he does not so print then a license can be granted to any applicant upon giving sufficient royalty to the author. The author, therefore, is protected.

Then this Bill contains a provision which has hitherto been absent from our law, namely, that the Canadian author of a song or a piece of music, who has not had copyright in Canada and who has, therefore, had a legitimate grievance against his country, is now protected to the extent of 2 cents for each record, or 4 cents, if the record is printed on both sides. We have done away with the objection which manufacturers of records or discs had, that they might have to pay in another country if discs were exported. We have drawn the Bill so that only the 2 cents is to be collected as a condition of manufacturing.

Mr. CURRIE: Is that 2 cents royalty?

Mr. MOWAT: Yes, 2 cents on each disc. The particular manufacturer in Canada has not to pay more than 2 cents. If the disc goes first to another country and it is shown that 2 cents, or whatever sum it is, has been paid, then there will be nothing further to pay. The author is compensated by the two cents paid in any country; that is supposed to be sufficient for him, and I think that sum, which is found agreeable in the United States, will be found suitable and agreeable in Canada for authors for their songs.

The impulse for this legislation seems to have come first from those people who were not protected before. We have a very anomalous state of affairs in Canada as regards the copyright law, and it is this. While we were authorized as a Dominion to deal with "Copyright" matters, and while we did so in 1875, the Act of that year containing this printing clause. In a case of Smiles, the author against Belford in 1874 or 1875, as reported first in the Ontario Court of Appeal, it was held by the Privy Council that we could not prevent a British author from ignoring that provision. Therefore, until now we have had in Canada two laws, one the English law of 1842 which is declared to be in force as regards British authors, and our own Act, and there is a conflict owing to the decisions of the courts which has made the law uncertain. It is only as cases arise that the law can be made clear. This shows the importance of getting this legislation as soon as possible on the statute book. The situation is very much as described by the Royal Commission on Copyright in 1878, which describes the law in Britain as follows:

> The law at present is already destitute of any sort of arrangement incomplete, often obscure and, even when it is intelligible upon long study, it is in many parts so ill-expressed that no one, who does not give much study to it, can expect to understand it. Obscurity of style, however, is only one of the defects. Their arrangement is often worse than their style. Of this the Copyright Act of 1842 is a conspicuous instance.

The same remarks would apply, it seems to me, to the copyright law of Canada which has been the despair of judges and lawyers for many years. If we can pass this legislation, we will largely do away with those difficulties. I agree with the remarks made by the right hon. gentleman who is in charge of the Bill, that this is a sincere effort to bring the two parties together. I think that has been done and that this legislation may be favourably received by the committee.

Mr. RINFRET: As a member of the committee, I would also like to make a few remarks to explain the particular situation in which we were placed when we were confronted with this Copyright Bill. As the minister explained, there were many conflicting interests, and it was very hard,

in some cases, to have them agree on any particular provision. I think, however, we all agree on this point that we have on the statute book a very antiquated copyright measure, and that it should be replaced by a new one at the earliest possible moment. In fact, it was urged upon us that it would be better to pass a copyright measure which might not be perfectly satisfactory, than not to pass a Copyright Bill at all. I do not know whether we should entertain that idea.

There is one point on which I first wish to insist, and it is the case of the composer whose songs or musical productions are reproduced by phonograph, gramophone, by means of discs or other contrivances. At present there is no right at all which can be exacted from the manufacturer, and therefore, the composer was placed in the situation that his production could be used by the manufacturer without any return to the composer. As regards that particular case, the demand of the composer is fairly met by clause 18 which, while it does not allow a very large return to the composer, is, at least, an improvement on the statute which now exists, because formerly no provision for any return was made. We can all agree on that clause, and all that relates to that particular feature of the Bill.

The conflict is more on clauses 13, 14 and 15 which deal with relations between printers and writers. The writers claim that they have a full right to their production; that it does not matter if they have obtained copyright, they are the sole judges whether their works can be reproduced or not. It has been said that the Bill gives them protection in this sense, that it will afford them, in any case, a fair return for their work; but it takes away from them protection in this sense, that they no longer remain the sole judges whether their books shall be printed or not in Canada. At present when a writer prints and obtains another copyright in another country and at the same time in Canada, he is the only judge whether he will have the book printed in Canada or not. By this Bill a license may be granted to any printer or publisher, who applies for it, and he may print a book on which copyright exists whether the author deems that advisable or not. I think that is the main point in the discussion in connection with this Bill. We can all agree to every provision of this Bill except the three clauses dealing with the license. I may say that I have kept in touch with the writers; I am a representative of them in a way, being a member of their association, and they object to their works being dealt with in this manner. They claim that they have an absolute right to their works; that they should be the only judges whether their work shall be published or not. While they wish to be protected as regards the royalty to be paid for their works, they are more anxious to be protected as regards the printing. That is their case. Of course, there is the case of the printer who says that his interests are prejudiced when a work is published in a United States magazine which is circulated in Canada, because that affords the American magazine the advantage of a large circulation in Canada where a Canadian magazine cannot compete. It was urged upon us that we should allow the Bill to pass in any event, because this Bill will be put into force only through proclamation, and it will be possible in the meantime to improve it.

I do not wish to impose my views on the committee, but I think we should endeavour to pass this Bill in as good a shape as we can possibly make it. As far as I am concerned, I feel like approving of the Bill altogether, but I would urge upon the minister to drop clauses 13, 14 and 15. The Bill will not come into force except by proclamation, and I think it would be more proper to pass the Bill without these clauses when we feel that we are not on safe ground. Then, if it is found necessary, we could add them later. I think the contention that these three clauses, which by the way are not to be found either in the British Copyright Act or in the copyright act of any other country, are in direct contravention of the Berne Agreement, is a sound one. The Berne Agreement says in respect to rights granted to members of the union in other countries, that the enjoyment and exercise of those rights shall not be subject to the performance of any formality, and to meet this provision we have provided that instead of the author who will not print his book being compelled to make a declaration to that effect, a stranger may apply for the right of printing the book, and it was claimed that as long as the author had not to perform the formality this would not be tampered with.

I want to pay this tribute to the minister and the committee. The work of the committee has been done in a most agreeable and noncontentious way, with a view to framing an acceptable Bill. But it does

seem to me that even if the author is not forced to declare that he will not print, yet the right of protection to his work is taken away from him, if a stranger can obtain a license. I do not know if the committee will see it as I do, but I think that the spirit of the Berne Convention is very strictly that nothing should be done in any of the countries which are members of the union that would come in conflict with this section, not only in wording but in spirit, and I think that to allow a stranger, a publisher or printer perhaps, to apply for a license is a formality by which the author is going to suffer if he feels that his work should not be published. It is not simply a question of dues; it is a question of the very ownership of the work by the author. I do not wish to press my point further at this stage, as we shall deal with the Bill clause by clause. I share the view of the minister that we should pass the Bill, because if we do not do so now, we shall have to go over all this work again next year or later. I do think, however, that it would be very much wiser to pass the Bill without these three clauses, because I think there is not the slightest doubt that they are in contravention of the Berne Agreement. If we find it advisable to introduce them later, that can be done.

Mr. BUREAU: If we leave out these three clauses how will it leave the Bill as regards the publisher?

Mr. RINFRET: The author in Canada would be the sole owner of his rights. A publisher could apply for the right to publish, but he would have to apply to the author instead of to the department.

Mr. DOHERTY: When we come to the clauses in question, I shall have something to say in answer to the hon. member. I think, however, he might ask himself, when he suggests that the Bill should pass without these three clauses, whether we can pass the Bill without them, because there are people who take the other view. In the committee we heard both sides, and it is to be conceded that this is a compromise provision that does not recognize the extreme right of the author. On the other hand, it limits him to this extent only, that if he does not think proper to print in Canada somebody in Canada may be authorized to do so on terms absolutely fair to the author, in the way of remuneration and in every other respect. It is true that it has the effect of saying that to this extent his property may be made use of by another person, but after all, we hold all our property subject to restrictions in the public interest. Here this Parliament, and the people of Canada, through this Parliament, are extending protection to the right of the author.

Mr. BUREAU: Does the minister compare the right of the author to the right of eminent domain?

Mr. DOHERTY: That property ought to be subjected to the consequences of the principle that all other property is. I am not suggesting that the case is absolutely analogous, but when we are extending this protection, is it an unfair thing to say to the author: Now that we are extending to you this special protection, we think that we ought at the same time to have present to our minds the interests of the Canadian people in connection with that publication. In the work there is the author's intellectual effort; there is also the printer's and publisher's material work. Now what we think we have achieved is to have done something to enable a Canadian to take part in that material work, at the same time giving full compensation to the author for the use of the intellectual work.

I have in mind also when we come to the clauses, by reason of representations that have been made to me since the committee met, to ask that there be a provision that where the author has printed an edition in Canada and published it, and has made up his mind that he does not wish to issue any further editions, there shall be no license issued to publish a further edition. But we will take that up when we come to the clause. I would ask that this present clause, which is the British clause, be adopted as amended.

Section as amended agreed to.

On section 13—application for license to print book in Canada by others than owner:

Mr. BUREAU: I understand that this is a kind of compromise between extreme views of the authors and publishers, and that if these clauses were omitted, as has been suggested by the hon. member for St. James (Mr. Rinfret), the Bill would be more or less valueless. I think they have to subsist to give the Bill some value.

Mr. DOHERTY: I would not feel that we could expect to pass a Bill on the absolute line one way or the other. I am

not without sympathy for the views of the hon. member for St. James (Mr. Rinfret), but I am quite confident that to do what he suggests would defeat the possibility of our passing the Bill. I would suggest that we have gone as far as we could possibly go, with one exception, in respect of which I propose to move an amendment. This amendment will recognize this further right of the author who has printed and published an edition, that he shall not be subject to have a second edition published and printed by a licensee if he has made up his mind that he does not want to publish any further editions. It has been pointed out to me that an author who has issued an edition, published either by himself or by someone else, may on reflection feel that his work ought to be revised. He may not any longer entertain all the opinions he expressed in that work, and this is particularly true in regard to scientific works. The progress of science is very rapid, and a man who may have written a work ten years ago, in which he committed himself to certain views on scientific problems, might find, through the process of time, that his views were no longer tenable. Under this and analogous circumstances, therefore, it does not seem right that the author should have a second edition of his work published against his judgment.

Mr. LEMIEUX: Before the minister offers the amendment which he proposes, he might explain what is the delay contemplated to be fixed by regulations in subsection 5 of section 13.

Sir ROBERT BORDEN: It would vary in different instances.

Mr. DOHERTY: The original Act provided a fixed delay, but when we came to look into the matter, we could not but realize that for an author resident in Ottawa, it would hardly be reasonable to fix the same delay as in the case of an author resident in Paris or Rome. A delay that would be adequate for the remotely situated author, would be a waste of time as regards the man close at hand, and it was thought that it would be better to determine the delay according to the circumstances of each case.

Mr. LEMIEUX: There is something else on which I should like to be enlightened. Suppose an author publishes a book in which he expresses certain opinions, religious, political, or otherwise, and later regrets having given publicity to those opinions. Would it be right that this author—perhaps he may have published something bordering on immorality—should see his work republished, notwithstanding his own sincere regret for having given expression to such views and opinions? I have in mind a book which created quite a sensation in the Old Country not very long ago, and possibly the author, when sober reflection had dawned upon him or her, might be very much opposed to a republication of it. Could any enterprising editor come to the minister, under this section, and obtain a license to publish that work in spite of the author, who is entirely opposed to the further propagation of the views and sentiments he has expressed?

Mr. DOHERTY: Under subsection 12 of section 13, there is recognized the right of the author to suppress his work, and it is provided, even where a license has been granted, that if the author decides to suppress the work, the licensee shall print no additional copies.

Mr. LEMIEUX: It is hard to suppress a book which has already been in circulation; its circulation is all the greater because the book serves as an appetizer to some people.

Mr. DOHERTY: I understand the difficulty of authors absolutely suppressing all copies; but if an author determines that he does not wish his views to be given further publicity, under subsection 12 he is entitled to stop the licensee from printing any further copies. The clause does allow the licensee the right to sell such copies as he has already printed and published, subject, however, to the author's right to buy from him all those copies, paying for them simply the cost of printing. We have, therefore, gone pretty far in protecting the author who desires to suppress his work. I quite appreciate, in fact I share in, the view of the hon. member, that the author ought to have the right, if he has revised his opinions for any reason, and does not want to continue being responsible for the dissemination of those opinions or doctrines, to suppress further publication of them.

Mr. LEMIEUX: They may be immoral views.

Mr. DOHERTY: Yes, and there is the case I mentioned a moment ago of scientific works.

Mr. LEMIEUX: The author may have changed his views.

Mr. DOHERTY: Exactly. He may find himself to-day with a book written ten or

fifteen years ago, and if that work were to continue in circulation, he might find that apparently he was teaching doctrines which the whole scientific world had discovered to be erroneous, and which, under the circumstances, he certainly would not endorse. I propose to strengthen the position of the author by adding a clause which might be added to subsection 12, providing that nothing in the section shall authorize the granting, without the consent of the author, of a license to publish any succeeding edition of a work whereof such author has published one or more editions in Canada.

Sir ROBERT BORDEN: Does section 13 impose upon the minister a duty in respect of which he has no discretion; such language is usually construed as imperative. It is a general rule of law that, where an authority is conferred upon a public officer the statute conferring it is construed as making it imperative that he should exercise that duty. Some of the expressions in this section may not be quite clear. Another question I should like to ask is this: Subsection 12 provides that no more copies shall be printed of a book which the author suppresses. Suppose an author has suppressed a book before any application is made for a license, what is to happen then? This is a case which does not seem to be provided for.

Mr. FIELDING: May I, in connection with the same section, be permitted to ask whether the expression "suppressed by the owner of the copyright" has a clear and well-defined meaning? What constitutes "suppression?" Is there some provision elsewhere which determines that?

Mr. DOHERTY: As to the right that authors have had in the past to endeavour to stop the reproduction of their works I am not in a position to give a definition of just precisely how it is to be done, nor do I think it belongs to us now to suggest, in connection with a Copyright Act, the creation of a right which I understand is a recognized right. What we were seeking to do was to leave that right, whatever its extent may be under common law or under the law as it now stands, unaffected by the fact, or affected as little as possible by the fact, that a license has been issued for the publication of that work. I have not gone into the question sufficiently to be able to give a very satisfactory answer as to what is the nature and extent of the right recognized by the law in an author, irrespective of copyright questions, to suppress his work. What we were seeking to do was to leave that right, so far as possible, unaffected by the fact that a license has been issued.

Mr. FIELDING: Is the term already used in the statute.

Mr. DOHERTY: I do not know of any legislation of our own in which it has been used.

Sir ROBERT BORDEN: I do not think the word has any technical meaning.

Mr. DOHERTY: I might say that this clause was taken from a draft of a Bill made some years ago by the present Deputy Minister of Justice, and that is what called my attention to it in the first place. On discussing the matter with him he left me under the impression—and I can secure the different instances which he gave—that authors had exercised the right. Of course what they can do to suppress a book is a question which depends on many practical considerations. I do not think there is any right recognized in the author,—after he has let the book be published and I have bought it—to come to me and say "You must turn your copy over to me." If no license were granted of course it would be in his hands to stop all further publications. By reason of the license being grantd, however, the publication has passed into the hands of somebody else, and the purpose of this clause is to prevent the fact of the license being issued leaving the author powerless to stop the future circulation of his work. Now, in this clause, what was in mind was that when the circumstances indicated exist, it should be the duty of the minister to grant the license, but with regard to the terms and conditions upon which it should be issued, that it would be in the exercise of his discretion—it would rest with him to determine what are the fair terms and conditions as to the royalty, duration of the license, and so forth. I do not know which particular clauses might perhaps require modification to make that clear.

Mr. CURRIE: Might I suggest to the minister that in sub-clause 5 of section 13, line 34, after the word "minister," a few words should be inserted to the affect that "the minister, if by him deemed advisable, may grant." That will give the power to suppress on behalf of the author and cover all the objections raised. As it stands now the minister must grant the application. If there was an objection and it was de-

sired to suppress the book I do not see how the minister could act, unless some discretion is given to him in this clause as suggested by the right hon. member for King's (Sir Robert Borden).

The CHAIRMAN: What about the amendment already before the committee?

Sir ROBERT BORDEN: Is there an amendment?

Mr. DOHERTY: I did intimate my intention of moving an amendment.

The CHAIRMAN: Mr. Doherty moves to amend section 13 by adding at the end of subsection 12 thereof the following words:

Provided that nothing in this section shall authorize the granting, without the consent of the author, of a license to publish a second or succeeding edition of any work whereof such author has published one or more editions in Canada.

Mr. FIELDING: Would it not be necessary to define the meaning of "edition"? How many constitute an "edition"?

Mr. LEMIEUX: The author himself is the judge of the number.

Mr. DOHERTY: We fix the number as being an edition.

Mr. FIELDING: Oh, no.

Mr. CURRIE: I think that comes under sub-clause 12.

Mr. DOHERTY: I did not grasp the suggestion. Is it that we should define how many copies should be looked upon as an edition?

Mr. FIELDING: It seems to me the remainder of your clause is dependent upon that. You say if he has published an edition already he shall have the right to protect himself. The question immediately arises how many copies constitute an "edition." I do not want to be too critical in the matter but I think it would be necessary to define the term. A man may publish a dozen copies and he may call that an edition. There should be some definition of what constitutes an edition.

Mr. CURRIE: The word "edition" is very often confounded with the word "reprint." An edition is technically where an author revises his book and issues a second edition, but very often some of these books have ten, twenty or thirty reprints. The first edition may consist of one thousand or three thousand copies. Then there would be in a month or so another reprint of five thousand copies and it goes on like that. There is no definition to distinguish clearly between what is called a reprint, and an edition where the author makes a revision and perhaps adds some new matter.

Mr. SINCLAIR (Guysborough): Subclause 7 of Section 13 gives to the publisher the right to publish not only an edition but as many editions as he may wish to publish for five years. For example it reads:

Such license when issued shall entitle the licensee to the sole right to print and publish such book in Canada during such term, not exceeding five years or for such edition or editions as may be fixed by the license.

The license, of course, will deal with the question as to how many editions he has published. I wish to draw to the attention of the minister that he has not dealt with the main objection made on behalf of the authors. I expected to hear him say something on the principle of withdrawing from the writer the sole and complete control of the book or serial produced by himself, and I think we ought to have some information from the minister on that point. Neither the publisher nor any one else assists the writer, the book is the product of his own brain, and he has the same right as the maker of any article has always had to sell it to whom he pleases; in other words, he has the right to control what belongs to him and to no one else; but we are removing from the author this control. I have before me a petition which was addressed by Thomas Carlyle to the British House of Commons in 1839 on the Copyright Bill then under consideration, and I think it would not be out of place for me to read it, because it expresses I believe, the view of Canadian authors on this matter. This is the petition:

Petition on the Copyright Bill (1839)

To the Honourable the Commons of England in Parliament assembled, the Petition of Thomas Carlyle, a Writer of Books,

Humbly showeth,

That your petitioner has written certain books, being incited thereto by various innocent or laudable considerations, chiefly by the thought that said books might in the end be found to be worth something.

That your petitioner had not the happiness to receive from Mr. Thomas Tegg, or any Publisher, Republisher, Printer, Bookseller, Bookbuyer, or other the like man or body of men, any encouragement or countenance in writing of said books, or to discern any chance of receiving such; but wrote them by effort of his own and the favour of Heaven.

That all useful labour is worthy of recompense; that all honest labour is worthy of the chance of recompense; that the giving and assuring to each man what recompense his

labour has actually merited, may be said to be the business of all Legislation, Polity, Government, and Social Arrangement whatsoever among men;—a business indispensable to attempt, impossible to accomplish accurately, difficult to accomplish without inaccuracies that become enormous, insupportable, and the parent of Social Confusions which never altogether end.

That your petitioner does not undertake to say what recompense in money this labour of his may deserve; whether it deserves any recompense in money, or whether money in any quantity could hire him to do the like.

That this his labour has found hitherto, in money or money's worth, small recompense or none; that he is by no means sure of its ever finding recompense, but thinks that, if so, it will be at a distant time, when he, the labourer, will probably no longer be in need of money, and those dear to him will still be in need of it.

That the law does at least protect all persons in selling the production of their labour at what they can get for it, in all market-places, to all lengths of time. Much more than this the law does to many, but so much it does to all, and less than this to none.

That your petitioner cannot discover himself to have done unlawfully in this his said labour of writing books, or to have become criminal, or have forfeited the law's protection thereby. Contrariwise your petitioner believes firmly that he is innocent in said labour; that if he be found in the long run to have written a genuine enduring book, his merit therein, and desert towards England and English and other men, will be considerable, not easily estimable in money; that on the other hand, if his book proves false and ephemeral, he and it will be abolished and forgotten, and no harm done.

That, in this manner, your petitioner plays no unfair game against the world; his stake being life itself, so to speak (for the penalty is death by starvation), and the world's stake nothing till once it sees the dice thrown; so that in any case the world cannot lose.

That in the happy and long-doubtful event of the game's going in his favour, your petitioner submits that the small winnings thereof do belong to him or his, and that no other mortal has justly either part or lot in them at all, now, hence forth or forever.

May it therefore please your Honourable House to protect him in said happy and long-doubtful event; and (by passing your Copyright Bill) forbid all Thomas Teggs and other extraneous persons, entirely unconcerned in this adventure of his, to steal from him his small winnings, for a space of sixty years at shortest. After sixty years, unless your Honourable House provide otherwise, they may begin to steal.

And your petitioner will ever pray.

THOMAS CARLISLE.

Now, Mr. Speaker, I should like to have some reason from the minister to show that it is the right of the House of Commons to interfere with the author's absolute control of his own works. This Bill professes to give a license to some person to publish the work of the author, whether the author is willing or not. It strikes me that any person wishing to publish a book should come to the author for leave to do so, and that the author ought to have complete control over the product of his own labour.

Mr. MORPHY: Referring to the suggestion of the hon. member for Shelburne and Queen's as to defining the number of books that would constitute an edition, I see a great deal of difficulty. Sub-section (c) of the interpretation clause reads:

"book" shall include every volume, part or division of a volume, pamphlet, sheet of letter-press, sheet of music, map, chart, or plan separately published.

Now the word "book" is used in subsection 12 of section 13, but it means all these things, and although it might be found that an edition of 500 copies would be all right for a book, it might be all wrong for a map, chart or plan or other particular work that would not be readily sold. So to my mind it is very difficult to set down any specific number that must of necessity constitute an edition.

Mr. FIELDING: I notice that subsection 3 of section 13 refers, for different purposes, to an edition of not less than 1,000 copies. I do not press the point, but it seems to me that if the word "edition" is not defined somewhere the law may be easily evaded. However, I am content to call the minister's attention to it.

Mr. CURRIE: I think there are a great many places where some changes might very well be made, but until this legislation has been in operation for a year or two I do not think it would be possible to come to a final decision on many of these controversial points. There is no doubt we need some such law. The United States by their legislation have attracted a great deal of the world's book printing, and we must do something to keep the printing of the works of our own authors in Canada. That is what we are legislating for.

Amendment agreed to.

Mr. RINFRET: To dispel the impression that this clause is the result of a compromise between the authors and the publishers, I would point out that it cannot be, for the simple reason that the authors object to the system, as they did in the days of Carlyle, which my hon. friend from Guysborough (Mr. Sinclair) has pointed out. I do not want to press the point unduly because we are very anxious to have the Bill passed, and, besides, we have the promise that it will not be put in force except by proclamation. But I still think it wrong to pass the Bill with the clauses to which we object, and I feel confident

that the minister will find out that they are in contravention of the Berne Convention, and that he will have to do away with them if we wish to adhere to that convention.

Mr. DOHERTY: If I find I have to do that, I will. In saying it was a compromise, I did not mean to suggest that it was a compromise reached by the authors and publishers after a conference. It was a compromise effected by the committee between the respective contentions; I did not mean to say more than that. I have great respect for Carlyle, and I have the most profound sympathy for the widest interpretation of the author's right. But I may, perhaps, take the opportunity of pointing this out to the authors, that at common law they had no copyright at all —at least that was, I think, the predominant opinion. I had occasion to go into this question very carefully some years ago in a case where the point directly arose, and I felt compelled to decide that outside of statutes there was no copyright. Mind you, we are dealing not with the ownership of the manuscript, not of the ownership of the work itself, but with the question of what happens after a man has given, by way of publishing it, his work to the public. It is not so absolutely obvious that after a man has written a work and distributed it to the public he has a right to the produce of all the copies. So far as his work is a money producer and gives him an income, the community contributes to it. His work, as he wrote it, does not put money into his pocket unless the community purchases it, and he cannot get it to the community and get money for it unless somebody prints and publishes it. Now, I would suggest to the authors that if they want to preserve the sympathy which I am sure all right-minded people have with their demand that their rights be given the widest possible interpretation consistent with the public interest, they do not take too uncompromising an attitude and say to this Parliament, for instance, or to any other legislative body: You must think of nobody else but me in regard to that work and to all the copies of it, although other people contribute to produce the copies; nobody is to have any consideration from Parliament except me, the author. Now, that is not an attitude that is going to preserve sympathy or gain it for the authors. I approach this legislation with every imaginable sympathy for the author, but I am free to say that I think the author who takes exception to these licensing clauses, with all the safeguards that are put around them to see that he suffers no injury, is not in any more reasonable position than would be the proprietor of some other kind of property who would rise in revolt because his property was expropriated for the public interest and the public benefit, he getting ample compensation. We all submit to that, though our right to property in other things is just as absolute as the author's right can be in the work that he produces. I suggest that it is not wise or in his interests that the author should take this extreme position; it is of a nature to bring about opposition on the part of people who certainly have interests which conflict with the recognition of that principle. But apart from that, this Bill improves very materially the position of the author. Let us get for the author this substantial step in advance. Perhaps we may be able to go further as time goes on, but let us get now what can be got.

Sir ROBERT BORDEN: In addition to what the minister has said, the situation might perhaps be described as follows: if an author has written a book, has put it away, and locked it up in his desk, there is no question involved of the right of eminent domain; it remains and will remain his personal property and he may do what he likes with it. But if he sees fit to copyright it in some other country and in Canada as well, and if he publishes it in some other country but not in Canada, then the minister will have to ask himself whether there is any good reason why that book, having been published in other countries, should not also be printed and published in Canada. I cannot see that a provision of this kind can be construed as unfair or unreasonable so far as the rights of the author are concerned. I would, however, make this suggestion to the minister: there is language here which unaccompanied by the context would indicate that an imperative duty is cast upon the minister; there is other language which indicates that that imperative duty is to be discharged by him subject to such terms and conditions as may seem to him fair and reasonable. Above all things, it seems to me desirable that we should make the section plain. I think it would be made perfectly plain if the minister would consent to add in the thirty-fourth line, clause 13, page 8, the words: "in his discretion," so that the section will then read:

The minister in his discretion may grant to the applicant a license to print and publish such book upon terms to be determined by the Minister after hearing the parties or affording them such opportunity to be heard as may be fixed by the regulations.

The addition of these words would, I think meet the position so far as the author is concerned and is thoroughly consistent with what follows. Without their addition, I am really not quite clear as to what the section would mean.

Mr. DOHERTY: I shall be glad to accept the suggestion of the right hon. member. I move to amend subsection 5 of section 13 by adding after the word "minister" in line thirty-four, the words "in his discretion."

Amendment agreed to.

Mr. LEMIEUX: What about the other amendment?

Sir ROBERT BORDEN: The other amendment was carried. The addition of these words will preclude the necessity of another amendment which I had intended to move, namely, that where a book has already been suppressed the minister should not grant any license. In view of the amendment which has just been assented to, the minister is perfectly at liberty to say that no license should be granted in such a case.

Mr. MACKENZIE KING: May I ask the minister whether the committee has considered the possible effect of this enactment upon the amount which a publishing house, say in the United States, would allow an author for the publication of his work? An American publisher will take work from a Canadian author because he is sure of having the market of the United States and the market of other countries as well. If this Bill goes into force, it limits to a certain extent the possible market that a publishing house may have, and, consequently, the amount which may be made on a contract.

Mr. DOHERTY The existence of this provision of law, which modifies the author's own right to the extent of subjecting it to the possibility of a license, may, of course, affect the value of that right when he goes to sell it. It is a right affected by the existence of that law. It was, however, urged—and it seems to us that it has considerable force—that, while it may be perfectly true to-day, with no impediment in the way, the American publisher expects to get and insists on getting the rights in Canada of the book which he buys from the author, if you had a situation such as this law creates where the publisher will know that he will be liable to come into competition with the holder of the license, but where he knows that the author cannot alter that situation, it is impossible that the publisher is going to say: "Then I will not buy the book." Surely, the American publisher who buys a work has principally in mind his immense market of 110,000,000 people, and it would seem to me a very exceptional case where the right to publish in Canada absolutely without restriction would loom so large in the transaction that the transaction would fall through. As to what the author might be paid, let me point out that if what he gets from the American publisher is reduced by the American publisher not getting the Canadian right, if this license is carried through, the author will get his compensation in Canada for the circulation in Canada; he will not be deprived of that right without ample compensation. I am not suggesting that the author is left just as well off as if this clause did not exist. I have conceded that this is putting a limitation on the interests of the author. Might we not appeal to the author, the Canadian author in particular, not to be absolutely selfish, but to have some thought for the Canadian printer or publisher who has contributed his part to this book? Might not the author have some consideration for the publisher's interest, and even if this reduces, in some degree, the price that the author gets from the American publisher, is it an unfair thing, when we are taking all the pains that we are taking to protect the author's rights and to surround them with guarantees, to ask him to be willing to accept, without too great criticism, this provision? I may point this out also, that as the law now stands, notwithstanding the issue of this license, works may be imported from countries that are in the Copyright Union, and if we come to a satisfactory understanding with the United States, as we have every reason to expect, no doubt we shall be in a position to extend the privilege to the United States. In that case the American publisher will be able to sell those books in Canada. All that he will be called upon to submit to is competition with a Canadian publisher.

Mr. MACKENZIE KING: Assuming that an author by further research has come to the conclusion that he does not care to have a certain edition republished,

can he be protected against the republishing of such edition?

Mr. DOHERTY: We have already moved an amendment to provide that the second edition or subsequent editions shall not be published without the consent of the author.

Section agreed to.

On section 14—license to publish books in serial form.

Mr. HOCKEN: This clause nullifies what has been done in the preceding clause. It reads:

> If the publication of a book is lawfully begun as a serial elsewhere than in His Majesty's Dominions or in a foreign country to which section 4 of this Act applies, and the owner of the copyright has refused to grant a license to any person—

That is to say, the author may start printing the book as a serial in the United States or in Great Britain; then there will be no right for any publisher in Canada to get a license to print the book, and what we have done in the preceding clause, we are undoing with these words. What should be done is to make the clause read in this way:

> If the publication of a book is lawfully begun as a serial elsewhere than in Canada—

And strike out the words: "His Majesty's Dominions or a foreign country to which section 4 of this Act applies." Then the two clauses would harmonize. If you are going to be consistent, the words that I have mentioned ought to be struck out. I would like to know what the minister says about the matter.

Mr. DOHERTY: I am disposed to think there would be no objection to accepting the suggestion of the hon. member. Of course, I am frank enough to say that what we have in contemplation in the Bill is to make a distinction between countries which come into the Copyright Union and those which do not. The clause as it reads is following on that general line of action. On the other hand, I quite realize that it is, perhaps, fair that where a work is published as a serial, say in England, there should be a possibility of a paper in this country publishing it. I am trying to think what ground of objection there could be. I do not know to what extent this Bill will expose us to difficulty in Great Britain. As I pointed out earlier in the treatment of this matter, it is important that we should make such a law as in Great Britain will be found to give British authors as full protection as their law gives us. I do not know whether this would afford ground for the suggestion that we are not giving them as full protection as they give us, because I do not think they have any licensing system at all, and their author under their system is interfered with in no way by any right recognized in the publisher. I feel so strongly that the thing is unobjectionable that I would have no objection to accepting the amendment, and in the event of further consideration revealing any objection to it, I will speak to the hon. gentleman and the matter might, perhaps, be adjusted in the Senate. In the meantime I will accept the amendment. I beg to move to amend subsection (1) of section 14 by striking out these words in the second and third lines of the section: "His Majesty's Dominions or a foreign country to which section 4 of this Act applies," and by substituting therefor the word "Canada."

Mr. EULER: Should the deleted clause not begin with the word "elsewhere"? It is the word "elsewhere" that makes all the trouble.

Mr. DOHERTY: The clause as amended will read "elsewhere than in Canada." If a book is started as a serial in Canada, I do not understand the suggestion to be that there should be a license.

Mr. MOWAT: Has the minister appreciated the trouble we may have in having this Bill accepted by Great Britain? We shall have to have their concurrence in joining the Berne Convention, which is the protection, all over the civilized world, of authors. May not the minister by striking out these words and making the provision apply everywhere, foster a feeling of opposition which may give us great difficulty in dealing with the British Government? My recollection is that that was in our minds when we drew the clause in this way. What we endeavoured to protect a serial magazine man from was this: The United States is the place to which the Canadian author will go, and at times he is not able to publish his work in a Canadian magazine, because when he asks the American magazine publisher for the right to publish in Canada he is met with a somewhat curt refusal. The American Magazine publisher will say to him: Our magazine is published in Canada, and I will not give you those rights. The Canadian magazine publisher, who has been striving for years to build up a good business and to give Canada as good a magazine as can be got elsewhere, feels that it is a great hard-

ship that he is not able on fair terms to the author to get a license to publish these articles. The magazine men feel very keenly over this. One magazine after another in Canada has gone into bankruptcy simply because the publishers could not get past this impediment put in their way—and no doubt quite properly from the point of view of business—by the American publishers. That was the idea underlying this clause, and I would ask the minister to hesitate before he extends it to Great Britain.

Mr. HOCKEN: All I have in mind is that we should not allow the publication of a book as a serial in the United States publication to prevent a license being issued in the Dominion of Canada. The minister assures me that the clause as it stands has that effect, and upon his assurance, therefore, I remove my objection to the clause. I did not desire to do anything more than provide that a man cannot write a book and start it as a serial in the United States in order to escape the licensing clauses of his Act, and on the minister's assurance that that point is covered, I withdraw my objection.

Mr. DOHERTY: There can be no doubt that that is the effect. I said that there was a reason which I could not think of at the moment, and it is the provision in the Berne Convention that serial stories published in the newspapers or periodicals of one of the countries belonging to the Union may not be reproduced in the other countries without the consent of the author. I move for leave to withdraw my amendment.

Mr. EULER: I was quite in agreement with the minister when he made his amendment, although there was a little misunderstanding as to just which words were being withdrawn and which inserted. If the clause remains as it is in the Bill you will be violating a principle with regard to the serial printing of a story that you observe in the case of the completed book. My understanding of a principle that was to be observed in this Bill was this: that where a Canadian author prints his work in book form in the United States it should become possible for a Canadian publisher to obtain a license to print that book in Canada. I think that is correct, and if that is correct with regard to the story in book form, is it not intended that the same principle shall apply to the book when printed in serial form? It seems to me that the wording of the section prevents that. It says:

> If the publication of a book is lawfully begun as a serial elsewhere than in His Majesty's Dominions or a foreign country to which section four of this Act applies.

I would think that section 4 will conceivably apply to the United States when it joins the Berne Convention. If so, the United States will be exempted entirely from this provision and the Canadian publisher will not be able to get a license.

Mr. DOHERTY: When the United States joins the Berne Convention—up to the present time she has not done so, and she has given no indication of doing so—she would come under this express provision of the Berne Convention, which escaped my mind at the time I proposed the amendment:

> Serial stories, tales and all other works, whether literary scientific or artistic, whatever their object, published in the newspapers or periodicals of one of the countries of the Union may not be reproduced in the other countries without the consent of the author.

Now when the United States, if she ever does, comes into the Berne Convention she will come under that provision. But we are legislating, of course, for the existing condition of affairs, and as things stand today, this clause we are considering has the effect precisely of enabling licenses for serial stories to issue in Canada where a story is published as a serial in the United States. It would also be true of any other country not in the Union, but I think for practical purposes the country we are interested in is the United States; it would hardly be desirable to insert any particular country, but we get a practical result by saying "elsewhere than in countries that belong to the Union."

Mr. EULER: Does the minister then state that this disability on the part of the American publisher will disappear if the United States joins the Berne Convention? If the United States joins the Berne Convention, will or will it not then be possible for the Canadian publisher to publish in serial form under license the work of a Canadian author which has been published in that form in the United States?

Mr. DOHERTY: If the United States should join the convention, then it will be for us to consider what legislation we ought to make in view of the altered conditions. If that should happen, and we want to continue this privilege, we will have to consider whether we had not better legislate to continue it even though that country has come into the Union. That will involve our considering what we then ought to do about

adhering to the convention. But we are making a law now to meet the conditions that exist at present, and as conditions now exist, this gives to our publishers the right to obtain a license to publish these things as serial stories where they are published as serial stories in the United States. No doubt there will be a different situation if the United States changes its position and we will then have to consider what we ought to do about it.

Mr. EULER: Does the discrimination remain as against the Canadian publisher as compared with the British publisher or publishers in other parts of His Majesty's Dominions merely because of the fact that they belong to the Berne Convention?

Mr. DOHERTY: I do not know that we analysed just what was the reason why, but the fact is that they do belong to the Berne Convention, and the fact is with regard to all countries belonging to the Berne Convention, if they wish to adhere to it, that we cannot enact this legislation as applicable to them. The same reason applies to Great Britain and the dominions as applies to all other countries who are in the Berne Convention, and therefore it was not necessary for us to consider whether there was any additional reason why we should do it with regard to the British dominions.

Mr. EULER: Is it true that under the Berne Convention there is a distinction with regard to the publication of books printed as a whole, and those printed merely as serials.

Mr. DOHERTY: There is an express provision that serials shall not be reproduced without the consent of the author.

Mr. EULER: That does not apply to books?

Mr. DOHERTY: There is no such express provision with regard to books.

Amendment withdrawn.

Sir ROBERT BORDEN: Is it intended to make the language of this section conform to the amendment which has already been agreed to by the committee with regard to section 13? Perhaps it is worth while to adopt the same language as that already added to section 13, to provide that the license may, in the discretion of the minister, be granted to any person in Canada.

The CHAIRMAN: Sir Robert Borden moves to amend section 14 by inserting after the word "may," in the forty-first line—

[Mr. Doherty.]

Sir ROBERT BORDEN: I do not move an amendment, Mr. Chairman, because I am not sufficiently familiar with the Bill as a whole to judge whether this should be done. I am merely making the suggestion to the minister.

Mr. DOHERTY: As I understand it, whether we confer the discretion or not, the minister would be expected, unless there were substantial reasons to the contrary, to grant the license where all the conditions were fulfilled. However, I do not see any objection to giving him discretion in the matter. I move, first, that subsection 2 be amended by striking out the word "shall" in the first line, and substituting the words "may, in his discretion."

Amendment agreed to.

The CHAIRMAN: It will also be necessary to move the amendment suggested by the right hon. member for King's (Sir Robert Borden), with regard to subsection 1, to conform with the amendment just proposed.

Sir ROBERT BORDEN: I think so.

The CHAIRMAN: Sir Robert Borden moves to amend section 14, subsection 1, by inserting after the word "may," in the forty-first line, the words "in the discretion of the minister."

Amendment agreed to.

Section as amended agreed to.

On section 47—Acts of United Kingdom.

Mr. SINCLAIR (Guysborough): What Acts of the United Kingdom are in force in Canada with regard to copyright?

Mr. DOHERTY: The Act of 1842 and the Act of 1886 are both in force in this country, predominantly over our legislation where they differ from our Act of 1889.

Section agreed to.

On section 49—Adherence to Convention of Berne.

Mr. RINFRET: If sections 13, 14, and 15 do not conform to the Berne Convention, I should like the minister to state that the Government will rather abandon those sections than fail to adhere to the convention.

Mr. DOHERTY: If those sections are at variance with the convention, we shall

have to come back to the House, because the law of this country would put the Government in a position where it could not consistently adhere to the convention, and we should have to decide the question then. After the best examination I have been able to give to the matter myself, I am disposed to believe that there is nothing inconsistent with the convention of Berne in these sections. There is no question of formalities at all. I may say in confirmation of that, that I had the question put—not directly myself but through a gentleman in this country who was very much interested in the copyright question, and entirely from the author's point of view—to those who are in charge of the bureau in connection with the convention, and I am in possession of a very interesting letter, which I will be pleased to communicate to the hon. gentleman, in which the opinion is expressed—not because the writer is enthusiastic for these clauses but because he thinks it is so—that whereas a clause which was in the Bill as originally introduced and which required the filing of a declaration, which clause has disappeared, would be a violation of the provision that there must be no formality, that these licensing clauses are not a violation of that provision. In any event the proper time to consider and decide upon the course to be adopted should these clauses be considered a violation of the convention, will be when, if ever, the objection is raised by some other party to the convention. I may add that though it does not go so far, the British Copyright Act provides for the issuing of a license in one case, and if it may be done in one case, why the principle is the same. It is provided by section 12 of our own Act, which is copied from the British Act, that at any time after the death of the author if the owner of the copyright does not republish or allow republication, a license may be ordered to be granted to other people to do it. The principle is conceded there and nobody has ever questioned that the British legislation was in conformity with the convention.

Mr. LEMIEUX: Before we pass section 49 I wish to ask a question in regard to the convention of Berne. I understand that the convention of Berne establishes a bureau, such as the postal convention established, an international bureau under the direction of the Swiss Government. As the convention of Berne has already been revised and as the status of Canada has been somewhat altered, are we to understand that in any future convention to be convened at Berne that Canada shall be represented as Canada or shall we be represented through His Majesty the King of the United Kingdom of Great Britain and Ireland and the Emperor of India? Furthermore in the conventions which are held, according to the regulations made or provided for in the instrument, will Canada be officially invited to those meetings at Berne as she is invited to the postal convention?

Mr. DOHERTY: The question the hon. gentleman puts to me I am not in a position, perhaps, to answer very positively at the moment. It is to be borne in mind that the convention we are now dealing with is a convention that was passed in 1908. The form in which the stipulation is made there is very different from the method in which more recent treaties have been entered into. The convention at that time was entered into without any special reference to Canada and it contains a provision that contracting countries shall have the right to adhere to the convention at any time for their colonies or foreign possessions.

Mr. LEMIEUX: What number is that?

Mr. DOHERTY: Section 26, page 32. I do not think the particular form in which the convention would be executed will necessarily be governed by that particular provision. I presume that "His Majesty would adhere in behalf of Canada" in whatever form would be thought proper; and I would be disposed to think in view of the recent practice introduced and carried out now in quite a few cases we would have an adherence by His Majesty on behalf of Canada that would put us in the position of being one of the countries members of the union. However, I would have to look into that question a little to see how it should be worked out to attain that end before giving a positive answer.

Mr. SINCLAIR: Before the Bill passes I want to enter my protest against the enactment of clauses 13, 14 and 15. I regard them as an unjustifiable interference with the rights of the Canadian authors. At the present time the Canadian author has a right to copyright in Canada and the United States. He has a right to go to the American publisher and say "I have copyrighted this book or serial in Canada and no one can publish it without my consent" and he is able to sell the right to publish in the United States for the best price he can

get. This right we are taking away from the author. He can no longer go to an American published and say "I can give you the sole right to publish this serial or this book," because he is up against this statute which enables some one in Canada to come in and interfere with that right and to publish such book or such serial and sell it not only in Canada but also in the United States. My hon. friend from Parkdale (Mr. Mowat) has said the Canadian magazine publishers are now put to considerable inconvenience because they cannot secure the author's consent. But does not the right of publication belong to the author? We will say that my hon. friend has a gold watch and that I have not got any and it is inconvenient for me and I would like to have his watch. If I ask for a license to go and take his watch from him my hon. friend would protest very strongly. I think the foundations on which this legislation is based are unjust and I desire to go on record as opposed to it.

Mr. MOWAT: If the law was that I should not carry a gold watch unless I gave inquirers the time, then it would be fair to say that my hon. friend from Guysborough would have the right to ask me the time. It is a sort of compromise. Copyright exists only by statute, and if we pass such a statute then we have the right to say, "Now, as a reasonable compromise in view of your getting that copyright you are not to take away the rights enjoyed by other citizens."

Mr. LEMIEUX: My right hon. friend will notice that Article 1 of the revised Berne Convention reads:

> The contracting States are constituted into a Union for the protection of the rights of authors over their literary and artistic works.

Then Article XX provides:

> The Governments of the countries of the Union reserve to themselves the right to enter into special arrangements between each other, provided always that such arrangements confer upon authors more extended rights than those granted by the Union, or embody other stipulations not contrary to the present Convention. The provisions of existing arrangements which answer to the above-mentioned conditions shall remain applicable.

I should like to know if there are special privileges which the adhering nations' colonies or dominions will not have.

Mr. DOHERTY: I would not so understand it. The present parties make a Convention and stipulate certain rights and obligations for the members of this Union, and among other things they stipulate that the contracting countries shall have the right to accede to the present Convention at any time for their colonies or possessions. That implies, in the first place, that the accession of the countries mentioned (the contracting parties), does not necessarily involve their colonies at all, and it provides for a method by which those colonies, so treated distinctly from what may be called the mother countries, may adhere to the Convention. I would understand that when any country adheres to that Convention it adds itself to the list of parties who have made the Convention, and that therefore it would form a member of the Union which these original adherents had formed.

Mr. LEMIEUX: What is the meaning of "reserve to themselves" in Article XX?

Mr. DOHERTY: The governments of the countries forming the Union reserve to themselves certain rights.

Mr. LEMIEUX: It applies to those who adhere?

Mr. DOHERTY: I would think that would be the accepted understanding, that when countries parties to the Convention admit another country, that other country becomes an additional member.

Mr. FIELDING: The wording of Article XXVI of the Berne Convention which my hon. friend has referred to is interesting:

> The contracting countries—
>
> One of which is Great Britain.
>
> —shall have the right to accede to the present Convention at any time for their colonies or foreign possessions.

I should like to know whether my right hon. friend considers Canada a "colony" or "foreign possession" of Great Britain.

Mr. DOHERTY: I do not consider Canada to-day is a colony of Great Britain.

Mr. FIELDING: Oh, my!

Mr. DOHERTY: The hon. gentleman should not ask me a question for the purpose of creating a situation where he can exclaim, "Oh, my!" to the answer. If he thought enough of my view to be willing to ask for it, he might perhaps control and conceal his contempt. At the time, back in 1908, people were not giving as much attention perhaps to correct designations as I hope we are to-day and I do not know whether there is any great importance to be attached to it. The hon. gentleman has my answer as to Canada's present status. I do not think that will embarrass her standing in the Convention

Mr. MACKENZIE KING: I should like to join with the member for Guysborough in taking exception to sections 13, 14 and 15.

The CHAIRMAN: If we are to return to those sections which were passed long ago, I must ask the unanimous consent of the committee.

Mr. LEMIEUX: That is true, but we passed them very rapidly.

The CHAIRMAN: I am not calling the hon. member to order, but simply pointing out that unanimous consent is necessary for him to return to those sections.

Mr. HOCKEN: There was pretty good discussion on sections 13 and 14, and I do not think we ought to go back to them. I am opposed to it, anyway.

Mr. MACKENZIE KING: I will reserve my remarks until we get to the preamble.

The CHAIRMAN: There is no preamble.

Mr. RINFRET: We have done our very best to expedite the passage of this Bill, and I think we should show courtesy to the leader of the Opposition and allow him to make a statement.

Mr. LANCTOT: If you want to stay here two weeks more, go ahead.

Mr. MACKENZIE KING: I think, Mr. Chairman, I am perfectly in order in speaking on clause 50, which deals with the day when the legislation shall come into force. I think the possible effect of this measure as it now stands may be to discourage altogether original publication in Canada by Canadian authors. An author takes his work to a Canadian publisher, who says, "Our market is somewhat limited, and we cannot undertake to publish your book." Then the author goes to the United States, and the American publishing house say, "We have a large market and we will accept your book." If the book sells well, then the Canadian publisher claims his right to step in and publish the book in Canada, although originally he refused to accept it from the author. The point I wish to draw to the attention of the committee on behalf of the author is that if this Bill passes in its present form, when he goes to the American publishing firm and tries to make a contract, the author is likely to be told, "We would be glad to allow you such-and-such a royalty, but we cannot do so because the possibility of sale is restricted by reason of the copyright law in Canada." As hon. members are aware, the royalty increases as the sales run up. The effect of this enactment, it seems to me, would be to take from the author a substantial part of the remuneration to which he would be entitled. For example, assuming that a Canadian author has a contract with an American publishing house under which he is to get a royalty, say, of 15 per cent on the first 2,000 copies of his book, increasing to 25 or 35 per cent on additional copies, if the law as it stands to-day was preserved, the whole market where that book was sold would be taken into account in the additional royalty which the author receives. If this bill is passed and Canadian firms, for example, are privileged to start the publication of a book at any time they think best, the author may be kept at the lower rae of royalty so far as his contract with an American firm is concerned. I think that authors have a hard enough struggle as it is to make anything out of their writings, to get any adequate remuneration for the effort they put forth, and in an enactment of this kind we should aim primarily at protecting them.

Sir ROBERT BORDEN: I do not quite understand why the minister in considering the terms and conditions cannot take into account all that my hon. friend has said.

Mr. MACKENZIE KING: May I give my right hon. friend an example from my own experience in connection with the publication of a book?

Sir ROBERT BORDEN: I am taking as correct everything that my hon. friend has said.

Mr. MACKENZIE KING: I think I can illustrate the point I have in mind in this way: a firm in the United States accepts a book from a Canadian author and allows him 15 per cent royalty on the first 1,500 copies, 20 per cent on all copies between 1,500 and 2,500, and then 30 per cent on additional copies sold. The firm makes that contract in the expectation of having a large market. As it is a book by a Canadian author, they take into account the possibility of its sale in Canada. Once the point of 1,500 is reached the author commences to get his royalty on a 20 per cent basis; when 2,500 is reached he gets his 30 per cent, and he gets it in virtue of sales in Canada as well as of sales in the United States. But if this law as it stands goes into effect what will happen? He may conceivably be kept at the 15 per cent royalty.

The minister when considering how much he will allow the author when a Canadian firm undertakes the publication, will say: The company in the United States is giving a 15 per cent royalty; we will allow the Canadian publisher his contract with the author on the same basis and the author will thereby be kept on the 15 per cent basis. Whereas if the author were free to have his contract carried out by the American publishing house as to sales generally, instead of getting 15 per cent on his books he might be getting 30 per cent on the greater proportion of the sales. I can see that that may be the effect in practice. It may not amount to much in the case of some persons, but in the case of most authors a difference of a few hundred dollars here and there is a quite important matter.

Sir ROBERT BORDEN: I still do not see why the minister cannot take that all into account when he fixes the rate of remuneration.

Mr. HOCKEN: My understanding of the Bill differs from that of the hon. leader of the Opposition. An author may write a book and sell it to an American publisher. The American publisher can print it in the United States or he can print it in Canada as well, and the gross sale is just as large as if the printing were all done in the United States. Therefore the proportionate increase in royalty that there would be under the old condition should prevail under the new condition. He gets the Canadian market; if the author wants the book published here, it is published here. This licensing clause is only to provide that when the author will not publish in Canada, somebody else may do so, paying him reasonable compensation. I cannot see that the author's rights are injuriously affected; on the contrary, I think they are adequately protected. If we had the same law that they have in the United States, the Canadian author could not get a copyright until his book was set in type and printed and the copy laid before the Secretary of State in Ottawa, but under this law the type can be set in the United States, and plates can be made and sent to Canada if the author wants to publish the work in this country. If the author will not publish it in Canada and if his American publisher will not do so, then some one in Canada may say: I will publish the book and pay the royalty determined by the minister. Surely there is nothing unfair in that. The author is entirely protected, if I understand the Bill correctly.

Section agreed to.

Bill reported with amendments.

Mr. SPEAKER: When shall the Bill be read the third time?

Mr. DOHERTY: I have had urgent requests from gentlemen in the Senate that the Bill should reach them at the earliest possible moment, as they would like to have time to go into it. It would be well, therefore, if the Bill could be read the third time now.

Mr. MACKENZIE KING: All right.

Mr. DOHERTY moved the third reading of the Bill.

Mr. LEMIEUX: May I express the hope that as the Canadian law is now to be changed, when the next convention meets Canada appear on her own behalf as she does in the postal convention?

Mr. DOHERTY: I am sure that if any effort be needed to bring about that result—and I do not think there would be any difficulty in the way—the effort will not be wanting. Of course, I cannot assure my hon. friend of what will happen, but I have every reason to believe that when we adhere to the Convention we shall be recognized when the meeting is held as we are recognized everywhere else when we meet the other nations of the world.

Motion agreed to, and Bill read the third time.

PRIVATE BILLS

FIRST AND SECOND READINGS

Bill No. 214, (from the Senate) for the relief of Ernest Joseph Wismer.—Mr. Mowat.

Bill No. 215, (from the Senate) for the relief of Carman Adams.—Mr. Mowat.

OLEOMARGARINE ACT AMENDMENT

Hon. S. F. TOLMIE (Minister of Agriculture) moved the second reading of Bill No. 205, to amend the Oleomargarine Act, 1919.

Mr. J. A. ROBB (Chateauguay-Huntingdon): Before this Bill is read the second time I should like to repeat what I pointed out to the minister when the resolution was under consideration a few days ago. While consenting to the admission of oleomargarine during the war, at a time when dairy products were very high, I can see no good reason why we should continue

the admission of oleomargarine into this country. The minister will recollect that it was the policy of Canada for many years, under both Liberal and Conservative administrations, to prevent the admission of oleomargarine into Canada on the ground that it was a detriment to the dairying interests of this country. During that period the dairying interests of Canada made wonderful progress, so much so that we were able to put our products, not only butter and cheese, but bacon and beef, into the markets of the world. To the dairying industry we owe directly the production of such important foodstuffs as butter and cheese, but that industry is also the basis for the production of meats: bacon, beef, veal and poultry products. It also helps to fertilize the soil. The greater the dairy industry; the more cattle there are, the better will be the crops. While grain growing may be profitable temporarily, it takes away the fertility of the soil, while on the contrary, the production of dairy products and the raising of cattle and swine contribute not only to the national wealth but to the fertility of the soil, so that we produce more grain.

War conditions have passed and the price of dairy products is down to about normal. The price of butter is not high; the price of cheese is not high; indeed, if the price keeps on going down, the cost of production will be greater than the selling price. Under such conditions it might be well for the minister to make haste slowly in the way of granting concessions for admission of oleomargarine into this country. Under present regulations manufacture is permitted up to the month of August of this year and sale up to the month of March of next year, so that those who have been importing oleomargarine and those who have been manufacturing oleomargarine in this country will have ample time to dispose of their stocks. I am told —and I am making this statement so that the minister may correct me if I am wrong —that there are only two firms manufacturing oleomargarine in Canada, and although oleomargarine comes in free of duty, its importation is surrounded by so many restrictions that the manufacture of oleomargarine in this country is practically a monopoly. The minister admits certain ingredients used in oleomargarine free of duty; that is refunds of duty are allowed. The statement was made the other day by the hon. member for South Oxford (Mr. Sutherland) that an immense sum of money had been refunded by the customs to importers of oleomargarine.

I have no desire to delay the House at this time when we are trying to dispose of business and to close up, but I should like the minister to take into serious consideration the question of extending the rights to import oleomargarine or to manufacture oleomargarine in Canada. The time has now arrived when we should revert to the old conditions under which the dairy industry of this country was so well built up. During the Budget debate we heard much from my hon. friends opposite as regards protection to the farmer. So far as I know, the farmer is not asking for any special protection on his products, but this is a case where we can give him a fair protection by prohibiting the importation and manufacture of a product that enters into serious competition with his product.

There is another feature of this matter that I should like to direct to the attention of the minister. After all, oleomargarine, according to a statement of what it contains, is an adulteration, manufacturers of oleomargarine contending that it contains about 70 to 75 per cent of farm product; there is some butter and milk used in its manufacture. We have laid down as a principle that there should be no adulteration in certain farm products. We have recently had that before us in the question of maple products, where an attempt was made to go back oo legislation introduced two or three years ago, and it was the unanimous opinion of the Committee on Agriculture that we should not admit of any reaction in this matter, but that we should keep these products pure. That should apply to butter as well as maple products. I submit these considerations to the minister, and I hope he will not press his Bill at this time.

Mr. J. H. SINCLAIR (Antigonish and Guysborough): Mr. Speaker, I wish to say just a few words in regard to this Bill before it is read the second time. My hon. friend (Mr. Robb) has expressed my views pretty clearly in regard to it. The importance of the dairy industry, of course, will be admitted by everybody; it is of vast importance to the country; it is a growing industry, and we should be very careful not to take any steps that would in any way check or interfere with it. I have been sent a circular letter by Mr. D'Arcy Scott, Secretary-Treasurer and General Counsel of the National Dairy Council of

Canada, dated the 21st of the present month, and containing the following resolution:

That this Council strongly disapproves of the efforts of manufacturers and vendors of oleomargarine to present that article in such shape, appearance and colour as to attempt to deceive purchasers into the belief that they are actually getting butter or an article with the same food values as butter. This Council is of the opinion that to remove the unfairness of the competition of oleo with butter, and to prevent deception and dishonesty, strict regulations in addition to those now in effect should be passed by the Government of Canada providing for a standard colour of oleo other than the colour of butter, the printing on the container of each package of oleo a statement of the ingredients used to make up the oleo and the proportions of each ingredient. Also that no dairy products be allowed to be used in the manufacture of oleo sold in Canada.

No action whatever has been taken to comply with this resolution.

Then it goes on to say:

The manufacture and sale of oleo in Canada was prohibited prior to December, 1917, when the prohibition was temporarily suspended by Order in Council under the War Measures Act. Since the armistice the suspension of the prohibition against oleo has been extended from year to year by legislation. The suspension will expire on September next unless Parliament passes further legislation.

We are now proposing by this Bill to admit the manufacture and importation without restriction. This appears to be an unfortunate time to pass a law permitting importation and manufacture of oleomargarine in competition with the butter industry. Last year we sold as much as 6,000,000 pounds of butter in the United States; but owing to recent legislation in that country imposing a duty of six cents a pound on Canadian butter, it is very unlikely that we shall be able to make equally great sales to the United States when this legislation comes into force. That should be considered. The price of butter has dropped very low; the industry is not in a prosperous condition at present, and if there ever was a time when we should be careful as regards legislation, it is at present. The price of butter is back to almost its pre-war level, and the prospects are that it will go still lower in the future. I do not consider that it is at all necessary to continue the manufacture of oleomargarine in Canada when butter can be secured so cheaply, and I therefore wish to place myself on record as being in entire agreement with what my hon. friend from Huntingdon had just said in regard to this matter. I shall vote against the Bill.

[Mr. J. H. Sinclair.]

Mr. EDWARDS: I have opposed the importation and manufacture of oleomargarine in Canada from the very first, and in opposing it to-day I am simply in line with what I have done in the past. I am glad that the hon. member for Antigonish and Guysborough (Mr. Sinclair), who is disposed occasionally to drop a few free trade sentiments and to give more or less vociferous applause to free trade sentiments dropped by someone else, is alive to the effect of what the imposition of the six cents duty on butter now being imposed by the United States Government will be so far as that market for our producers is concerned. The duty used to be two or two and a half cents, and now they have raised it to six cents. The effect will be to exclude Canadian butter from the American market. I think it was intended to have that effect, and it certainly will have that effect.

Let us look for a moment at the conditions prior to the adoption of the Order in Council which permitted the admission of oleomargarine into Canada and its manufacture here. I could understand action along that line having been taken previous to the time when it was taken. In 1914, for instance, we imported over 7,000,000 pounds of butter, and exported only 1,250,000 pounds; in 1915 our imports were pretty nearly 7,000,000 pounds, and our exports 2,700,000 pounds; in 1916 our imports were 4,300,000 pounds, and our exports 3,400,000 pounds. In all these years, according to the import and export figures I have just quoted, we were not producing a sufficient quantity of butter in Canada for our home requirements and in those years the argument could have been advanced that was advanced later, that we were not making enough butter to supply the home demand, that the price was inordinately high, and that therefore the poor man was being deprived of an essential article of food. In 1917, however, our imports of butter were 997,000 pounds, and our exports were pretty nearly 8,000,000 pounds: that is to say, according to our import and export figures, we not only produced enough butter in Canada to supply the home market, but we had a surplus and had to look for a market for that surplus in other parts of the world. It was at that time, on December 10, 1917, that the Order in Council was passed permitting the importation of oleomargarine into Canada and its manufacture in this country. At that time the argument that was advanced by the then Minister of

Agriculture, the hon. member for Marquette (Mr. Crerar), was that the price of butter was so high that many poor people in this country were unable to buy it. He justified—and in this he was backed up by many other hon. gentlemen in the House—the admission into Canada and manufacture here of oleomargarine on the ground that the fats necessary for sound physical health were not obtainable at a reasonable price in Canada in the form of butter. That argument was accepted by the Government and, I must say, by an overwhelming majority of members on both sides of the House. If that was the only argument advanced, and I am not aware at the moment of any other argument having been put forward, that argument does not hold good to-day.

Mr. CLARK (Red Deer): Did my hon. friend state since when there had been a surplus of butter in this country?

Mr. EDWARDS: The figures I gave showed that up to 1916 we were not producing enough butter to supply the home demand, but that in 1917 we imported only 997,000 pounds of butter while we exported 7,900,000 pounds. I take those figures to indicate that we were producing enough butter not only to supply the home demand, but to leave over a good surplus. That was the year in which the Order in Council was passed, for the reasons I have stated. Now in 1918 we imported only 443,000 pounds of butter, while we exported pretty nearly 5,000,000 pounds. In 1919 our imports of butter were less than 2,000,000 pounds, while our exports were over 13,500,000 pounds. In 1920 our imports of butter were 397,000 pounds, while our exports were over 17,600,000 pounds.

I wish that my hon. friend would pay attention to the figures I am now about to give. I have stated that according to the import and export figures from 1917 up to 1920 we were producing in ever-increasing quantities more butter than we required for our home consumption. That of itself would have a tendency to push the price of butter down to a reasonable figure in this country, and in consequence of the surplus we had to look all over the world to find a market for it. Now, in 1918 we imported into this country 2,262,514 pounds of oleomargarine. Every pound of that, in my judgment, replaced a pound of butter and forced our farmers and dairymen to look elsewhere for a market for that quantity of butter. In 1919 our imports of oleomargarine were 4,217,000 pounds, and in that year we exported over 13,000,000 pounds of butter. In 1920 our imports of oleomargarine amounted to pretty nearly 7,000,000 pounds, and in that year we exported some 17,000,000 pounds of butter. Now, it is claimed that the Government were justified in allowing oleomargarine to enter this country because of the high price of butter at the time the Order in Council was passed, and that the high price was due to scarcity of supply. But the figures show that at the time the Order in Council was passed there was no scarcity. But consider the matter on the basis of price. Let us see what the average price of butter was from 1914 on. According to the Montreal Gazette the average price of butter per pound for 1914 was 27.6 cents; 1915, 29.4 cents; 1916, 34.2 cents; 1917, 39.9 cents; 1918, 47 cents; 1919, 58.9 cents; 1920, 55.8 cents. Those who oppose my view of this matter may argue that the price of butter, notwithstanding the importations of oleomargarine, is constantly going up. Well, let us take late reports, because, if it is fair for those who favour the importation of oleomargarine, to quote the prices of butter notwithstanding the importation of this article, surely they will not object to my quoting the prices of butter also and arguing that there is no need, in view of those prices, to allow the manufacture and importation of oleomargarine at the present time. I take the dairy produce market report for the week ending May 7, 1921, and I find that butter, No. 1 grade, was sold in Montreal at 28⅜ cents a pound. Six hundred and sixty packages were sold at this rate. On No. 2 butter, a bid of 25 cents was refused; but in that week, butter sold as low as 26⅜ cents a pound. That is very much below what butter was selling at—and below the price fetched by oleomargarine—all through 1919 and 1920. Let us take the report for the week ending May 21. In Montreal, butter sold at 25½ cents, and 25¼ cents a pound, and at St. Hyacinthe, and other places, as well as in Toronto, the same prices obtained. In view of these prices, which have been maintained pretty steadily for some considerable time, there is no good argument which can be adduced in favour of the importation and manufacture of oleomargarine. In my judgment, butter is selling to-day at a price which does not enable the dairyman and the farmer to come out anywhere near even. That is my well-considered judgment in the matter; and in view of the immense amount of money

which is invested in the dairy industry, and the large sum of capital invested in buildings, stock, etc., as well as the number of people directly interested in the success of the industry in Canada, I think that this Government, or any other, should give very careful consideration to the business and do everything possible to help it along. If this House agrees with me that at the present prices, and the prices that have obtained for some months past, the dairyman is not making ends meet, then I appeal to the Government that this is not a proper time at which to pass a permanent measure granting for all time, in this country, the right to import oleomargarine and to manufacture that product here. Whatever arguments may have been advanced in favour of its importation and manufacture in times past, when butter sold at a high price, I certainly contend that to-day the dairy industry should receive consideration at the hands of the Government, and that this Bill should not be pressed. With the action of the Government last session in giving a year's extension to the Order in Council, as was also done the year before, I know that the great majority of members on both sides of the House agreed. Very well, I did not agree, but I was in a hopeless minority. However, if the Government feel that there should be an extension of time for another year, and can assure us that the present price of butter is only temporary, while I would object to the passage of this Bill, as I have done before, I would frankly say that it would not be as bad as passing the Bill and making the importation and manufacture of oleomargarine a permanent thing.

I know it may be argued by some that Canada is the only country which up to the present time has not definitely allowed the importation and manufacture of this article. The United States and other countries have allowed its importation and manufacture. Well, that is their affair; but I do not think that conditions in this country are on all-fours with conditions in the United States, in Denmark, or in any of the other countries which permit the manufacture and importation of oleomargarine. Of course, opinions may reasonably differ in that regard, and I am only giving my personal view of the matter.

I want to say again, what I said in speaking on the Budget, that I fail to understand how one can defend the free importation of oleomargarine into Canada. If the question were asked why we have a duty of 4 cents a pound on butter, the answer, I presume, would be that it is for the protection of our dairymen in Canada. Well, if that is true, how can we justify the importation free of duty of oleomargarine which certainly comes into the country in direct competition with butter —for every pound of oleomargarine takes the place of a pound of butter. To be consistent, we should take the duty off butter, which is something I suppose my hon. friend from Red Deer (Mr. Clark) would agree with.

Mr. CLARK (Red Deer): Sure.

Mr. EDWARDS: Or, in the alternative, we should place a duty on oleomargarine at least equal to the duty which is now imposed on butter coming into the country. That is the course I would take if this article were allowed to come into the country. Considering the large amount of money invested in the dairy industry, the importance of that industry to the Dominion, the number of people directly interested in it, and other reasons which could be advanced, in my judgment this is not an opportune time to place on the statute book of the country an Act which would allow the importation and manufacture of oleomargarine for all time to come. To be consistent with the course I have taken on previous occasions, and also with my own conscientious views in this matter, which have not changed a particle, I must express my opposition to the measure, and, in fact, to the whole principle of allowing oleomargarine into this country at the present time, or permitting its manufacture here.

Mr. W. F. KAY (Missisquoi): I must enter a protest against the Bill which the Minister of Agriculture (Mr. Tolmie) is asking the House to pass. I am very sorry that the minister felt obliged to introduce this Bill, in view of the present condition of the dairy industry in this country. I feel sure that, were he left to use his own judgment in the matter, he would have dropped the Bill. At any rate, I give him credit for that feeling. The dairy industry is the most important of all the agricultural industries in Canada, and this Bill strikes a very serious blow at it. At the present time, the price of butter is below the pre-war price; it is so low, indeed, that the dairyman is producing butter at a good deal below cost. I need not tell the House that if this condition continued for any length of time the

only course open to the dairy farmer would be to stop dairying. When that time arrives—although I hope it will not come—a Bill of this kind might then be necessary and appropriate because we would all have to eat oleomargarine. Another very serious fault of the Bill is that it permits the adulteration of butter. Oleo is largely made from butter, milk and cream, and I protest most emphatically against any regulations which permit the adulteration of the product of that great basic industry the dairy industry. If the regulations were so framed as to require oleomargarine to be manufactured solely from vegetable and animal oils there would not be the same objection to the proposal; but unfortunately the department has allowed the manufacturers of oleo to use from 20 to 25 per cent of butter, milk and cream in the production of this article, and therefore it is without any doubt an adulteration of butter. In a very short time the Canadian dairyman will be deprived of his export markets entirely. The United States, who were large consumers of our butter, are putting on a duty of 6 cents a pound which will be prohibitive. As to the British market it is flooded with butter. That commodity was formerly under the control of the Government but decontrol has now been carried out and hundreds of tons of butter have been thrown on the market there. Consequently any possibility of our exporting butter at the present time to England has gone. The arguments advanced by the hon. member for Chateauguay-Huntingdon (Mr. Robb) and the hon. member for Frontenac (Mr. Edwards) are very good and I wish to endorse them thoroughly. I will not detain the House any further at the present moment.

Mr. JOHN BEST (Dufferin): I heartily agree with the views of my hon. friend from Frontenac. Like that hon. gentleman I opposed this Bill on a former occasion, and the reasons for doing so at that time were not as good as the reasons for opposing it to-day. On the former occasion I pointed out that other articles that were protected were just as high in price as butter. I am a protectionist, a moderate protectionist, and I believe the farmers of Canada have just as good a right to protection as other classes have. The argument has been advanced that the poor man and the poor woman in the past could not afford to buy butter. The statement probably was true, I am not disputing it, but if you are going to remove the protection from butter why not do it also in the case of the boots and clothing that the poor man and the poor woman wear?

Some hon. MEMBERS: Hear, hear.

Mr. BEST: I am not arguing for a moment that the duties in any instance should be removed, I want protection to be maintained in every direction. What I say is that the importation of oleomargarine ought to be prohibited and in that I am consistent; I want protection on everything that the farmer has to sell. But my friends across the way, who pretend to defend the farmer, have never raised their voice to have the farmer protected—I never heard them say a word in the past in favour of doing that. It is argued now that because butter is so cheap, oleomargarine will not be bought. If that is the case why allow oleomargarine to come into Canada or be manufactured here. I cannot see why any sane man should go on manufacturing oleomargarine if he finds no sale for it. Butter is now selling at local points—I am not speaking of sales in the city—for 25 cents a pound and in some cases for less. I do not think there is any excuse for the poor man or the poor woman not buying butter under present conditions—with the wages they are paid now they can well afford to buy butter which proportionately has gone down in price more than wages have. We have been trying in Canada to build up a dairy industry and we have succeeded fairly well; but unfortunately we are permitting the importation of millions of pounds of oleomargarine, and the consumption of every pound of that product in the Dominion means one pound less in the consumption of butter. Why should we allow that? I believe in fair play to all classes. We have several industries in this country, but the agricultural industry is the one that deserves to be protected above all others. Yet the present Bill means taking away the protection so far as butter is concerned. How are we in this northern country—where the farmer has to put up buildings that will cost him from three to four thousand dollars to house his cattle for six or seven months in the year—to compete with farmers in the southern states, and in other countries, where they do not have to put up such buildings at all—where they have summer all the year round? We cannot meet such competition without protection. I am for protection for the farmer and I wish to see that he gets fair play because in this country he is up against handicaps such as they have not

to contend with in the country to the south and in other lands similarly situated.

An hon. MEMBER: Why not protect the poor people?

Mr. BEST: Why certainly. We might just as fairly lower the duty on underwear as lower the protection in the case of butter. I don't see any difference in principle. If we are going to help the poor man why not start in with his feet? Take the protection off boots and shoes, then off clothing, and progress until you reach his stomach.

Some hon. MEMBERS: Hear, hear.

Mr. BEST: But I am not advocating taking duties off. What I am advocating is keeping the duty on, and protecting the farmer by not allowing oleomargarine to enter, or be manufactured in, this country. I contend that I am quite consistent as a protectionist in arguing that oleomargarine should not be permitted to come in free or be manufactured in Canada. Now, my hon. friends opposite seem to think, judging from their interjections, that I find fault with protecting boots and shoes, and clothing, and that I am against protection. Not by any means, but I do think that we have a just right to protect the most basic industry we have in the Dominion, and that is agriculture. If we are going to permit the importation and sale of oleomargarine when there is no sale for our butter what are our dairymen going to do? As one hon. gentleman opposite said, under this policy the dairy industry would dwindle away, and that if the farmers of this country cease to keep cows we would have to have something to take the place of butter. In such a case as that I would not blame them; but the farmer at the present time certainly cannot make anything out of selling butter at 25 cents a pound. A few years ago, before this legislation was enacted, the farmer could buy a binder for $150 but he has to pay $300 to-day for it. That enhanced price is not due to protection because the duty only amounts to 12½ per cent, but everything else has gone up in proportion. The farmers of this country are certainly going to protest if they are not protected as they should be, and I believe this to be one of the worst pieces of legislation, from the farmer's standpoint, that could be introduced into the House. I think the minister probably is sincere in thinking that this legislation is going to benefit the poor, but I appeal to him to see to it that the farmers are not discriminated against in this way. During the war they were appealed to to keep more cows and hogs, and they did, but now the war is over and the prices of farm products are declining those farmers are left with their stock on their hands. I hope the minister will see his way clear to withdraw this Bill, because I am not going to be inconsistent —I am not going to vote for a measure that I have spoken against.

Mr. MICHAEL CLARK (Red Deer): Mr. Speaker, I hope to follow my almost invariable custom of taking only a little time in expressing my views on this question. That is the more easy, because I have on two previous occasions supported the minister very heartily in his temporary legislation on this subject. My hon. friend (Mr. Best) who has just resumed his seat finds fault with his fellow-farmers in that they do not apply for protection for their industry. I do not think he quite gathers what is the breadth of view of the Progressive party upon this subject. We believe that we have a policy which, in supporting all industries according to the principles of justice, right and freedom, will support our industry and build up the whole country better than his policy will build it up. We are just as friendly to the farmer as he is, but we think—as no doubt he thinks—that we are more enlightened in the methods by which we would promote the interests of the agriculturists.

Now, Mr. Speaker, I propose to advocate my view by a reference to general principles—by a reference to the interests of the nation as opposed to the interests of any class, and in doing so I plead with my hon. friend to give me credit for being, if not a good dairyman, at least a good Canadian. The local view is: Help a certain industry, and take the first road to that end; the national argument is: Look to the good of the nation and you will help everybody. Let us take the question of trade at the present time. What is going to happen to this country with its diminishing trade if we have a Minister of Finance going around and telling our people not to import commodities, and if his efforts are followed up by the Government putting obstacles in the way of that importing? I will tell my hon. friend and this House what will inevitably happen. If you prevent the importation of commodities, you will prevent the exportation of commodities; you will decrease your national trade and diminish your national prosperity. I do not want to labour this point any further, for I have argued it so often. It is

the very element of sound economics. I ventured, in the short debate we had on reciprocity in the early part of this session, to express the view, which I repeated in the debate on the Budget, and which I will now re-state: that there is nothing the world needs so much at present as the facilitation in every possible way of international commerce. If I may, I should like to buttress my opinion by a quotation from a speech which Mr. Asquith delivered in the British House of Commons about two weeks ago. He delivered it with the evident agreement of three-quarters of the assembly, according to some descriptions of the speech, though in the Imperial House of Commons they do not always vote as they think. He used in his inimitable style this language, which I should like to give to this House for its serious consideration and as having a very direct bearing upon this measure:

> What the world wants is the freest and fullest production and interchange of commodities. That is the only way in which to stabilize exchange.

Now, Mr. Asquith is not only a great statesman and a great lawyer, but he is a very great economist, and I commend those words not only to this House but to the whole of this nation and—if my voice could reach—to the world. What the world wants at present more than anything else to relieve its economic troubles is a free and full production, which can only take place if you have a free and full exchange.

Why, what has happened on this very subject? I listened with the greatest interest to what my hon. friend from Frontenac (Mr. Edwards) said just now, and if I rightly followed his facts, he proved that since we had had free importation of oleomargarine the production of butter had gone ahead by leaps and bounds. He proved that past all possibility of contradiction. Now, it may be said, how has that been brought about? In the simplest possible way. For every pound of oleomargarine you introduce into this country you must send something out in payment; and I submit to the intelligence of this House that if you send butter out it is no loss to the nation. Just imagine a Parliament that has on its hands a bankrupt railroad wanting to restrict, first, the carrying of strawberries, then the carrying back of exports, the things that would pay for the strawberries, and next the members of the same Parliament getting up and wanting to restrict oleomargarine coming in and, of necessity, thus restricting the going out of what pays for it! If you carry that process far enough, your bankrupt railway is with you to stay; you can back your engines into the yards to rust and leave your men tc be unemployed.

This is a very serious matter at this time. I am glad indeed to look into the frank, full face of my hon. friend the Minister of Agriculture (Mr. Tolmie). I am sure that one of these days he will join the Progressive party—and when we have the condition of affairs that we see in this House, why, we have got to look for recruits. If my hon. friend the leader of the official Opposition had been in his place I would have offered him my sincere sympathy. Although his sterling henchmen by moving his amendment to the Budget lined up the whole of this side of the House in favour of a lower tariff, yet at a moment's notice his chief whip leaps from the free trade camp and comes out a full-blown protectionist, and he is followed by other members on the same side. I am surprised at these hon. gentlemen so soon breaking away from sound doctrine. I look, as I say, with pleasure into the face of my hon. friend the minister, and I hope he will stand to his guns, because if trade is declining, no sensible and rational legislature will take measures to make it decline further. That is the whole argument in a nutshell from the point of view of trade. We have had a great surplus of butter production since we had free oleomargarine, we have been exporting butter, and I want to submit to hon. gentlemen on both sides of the House, especially to my hon. friend from Frontenac, that it is no misfortune to the country to have a large export of dairy products. It has been said that the price of butter has fallen. Well, I am a broad enough farmer, I want to tell my hon. friend from Dufferin, to rejoice in that. I will tell him why—and I am still arguing on national grounds. Only a handful of men—

Mr. BEST: Will my hon. friend—

Mr. CLARK (Red Deer): The hon. gentleman does not need to ask me any questions; he will get the full gospel before I am finished with him. There are only a handful of people in the country producing butter. No butter worth the name is produced in Montreal or Toronto; no butter worth the name is produced in any of our large cities. Only a handful of people, I say, are engaged in producing butter, but we nearly all eat it, and my interest is on behalf of the people who eat the butter.

Mr. BEST: May I ask the hon. gentleman a question? Would he glory as much in a similar reduction of the price of wheat? Only a comparatively small number of people are engaged in the production of wheat.

Mr. CLARK (Red Deer): I have always believed in free wheat, and I am glad that on this matter—

Mr. BEST: I am speaking about the price. Does the hon. gentleman want the price down?

Mr. CLARK (Red Deer): I believe in cheap things—certainly. I believe in cheap beef. I took $70 for steers last fall that I would have got $120 for the fall before. I want my hon. friend to understand the difference between the shallow, contracted Tory view and the broad Liberal view. My view is the Liberal view; my Liberalism is of the spirit. If you get your beef cheaply, I am then in the position to turn round to you and say: You are buying beef from me at nominal prices, you are buying hides from me at one cent a pound; in the name of conscience, try to give me cheap boots too. We all use beef, butter, boots and a hundred other things, and it is therefore a clear benefit to the whole community to have these things cheap. There is not an hon. gentleman in this House who, when he goes to purchase does not haggle for the very best price and the very best bargain he can get and thus by his own action in everyday life he argues his belief in cheap goods. Now, that is my answer to my hon. friend, and I hope it is honest; I hope it is full, and I am not at all sure that it is not convincing. If my hon. friend believes in dear things, then I should like him to stand up and get looked over as a curiosity, because certainly all the women of the country would be against him, and, I think, most of the men.

Mr. BEST: Did the hon. member ask a question? Did he ask me to stand up? I certainly do say that I am in favour of high-priced farm products.

Mr. SPEAKER: Order.

Mr. CLARK (Red Deer): Well, perhaps it is my method of appeal. I feel very much in earnest in the matter, but I know that the hon. gentleman can always stand up manfully for what he believes,—he may be a little mixed in his belief, but he is always ready to stand up for it. The question of price, Mr. Speaker, does not affect my thinking at all. What I am looking for is international commerce, and, in addition to that, the freedom of the subject. The Liberalism in which I was raised meant freedom; the word itself means freedom. For the life of me I cannot understand the thinking of people in this great, free, democratic country of Canada who say that for the sake of imaginary help to a few people engaged in a certain industry, the teeming populations of Hamilton, Toronto, Montreal, Vancouver and Winnipeg should be prevented from buying oleo if they want to buy it. The most sacred right a man has is to sell his labour to the best advantage, and when I buy oleo or anything else I sell my labour for it, whether I am a workingman or not. None of us has any right to what we do not labour for either by our heads or by our hands, or is not given to us by bequest. When I buy oleo or anything else I sell my labour, and I claim the sacred right to sell that labour and to buy the product of it in the cheapest market, in the best market—in short, in any market that suits me. If a man in Montreal wants to buy oleomargarine, what right has anyone from Huntingdon, even if he is a member of Parliament, to object to his buying it? I cannot understand it, on the grounds of the liberty of the subject. The fundamental objection to protection is that it is an interference with the liberty of the subject, because it is an interference with a man's selling his labour, where he can do it without breaking any moral law, to the best advantage.

Something has been said about the fertility of the soil. Well, I would be very sorry if the introduction of oleo interfered with the fertility of the soil. We have such boundless acres of fertile land in this country that that argument has a very small effect on my mind. I know what the argument is; there is nothing in it, however. I should like to submit to my hon. friends on this side who talk about the fertility of the soil that the huge increase of the dairy industry which my hon. friend from Frontenac (Mr. Edwards) proved has taken place does not make against the fertility of the soil. It would be too much, Mr. Speaker, to expect that a case which was supported by my hon. friend from Frontenac on one side of the House and by my hon. friend from Guysborough (Mr. Sinclair) on the other would be logical in all the elements of argument that were produced.

Mr. EDWARDS: Let me tell my hon. friend that I did not support it as he

asserts. It is just my hon. friend's failure to understand the fundamentals in connection with the matter.

Mr. CLARK (Red Deer): Well, I never expect my hon. friend, either in speech or in interruption, long to fail to descend to personalities. I am very sorry, of course, that my understanding was weak. I followed my hon. friend carefully and when I did not think I was understanding him fully I got him to amplify his statement. But of course we all have to work, whether we be working in this House or in York-Sunbury, with as much intelligence as the Lord has given to us.

Mr. EDWARDS: Mr. Speaker—

Mr. CLARK (Red Deer): I must ask my hon. friend to observe the ordinary courtesies of debate. I promise to be brief.

Mr. EDWARDS: Does my hon. friend understand what ordinary courtesy is?

Mr. SPEAKER: Order.

Mr. CLARK (Red Deer): The hon. gentleman has just come out of a discussion down in New Brunswick and he actually wants to get into another here, against the rules of the House.

Mr. EDWARDS: Always ready.

Mr. CLARK (Red Deer): I thought he would have learned, Sir—

Mr. SPEAKER: I must remind the hon. member for Frontenac (Mr. Edwards) that he has already spoken. The hon. member for Red Deer has the floor and has asked not to be interrupted.

Mr. EDWARDS: I understood he was discussing oleomargarine and not Frontenac.

Mr. CLARK (Red Deer): I was discussing also the arguments which have been used in this debate, and I was saying—and I think I was well within the rules of parliamentary debate when I did so—that I hardly expected that an argument would stand well which was supported on one side of the House by my hon. friend from Frontenac and on the other side of the House by my hon. friend from Guysborough. I do not for a moment want to commit to my hon. friend (Mr. Edwards), but he would be the first to admit that he does not find himself in very general agreement with the hon. gentleman from Guysborough, and I was simply expressing the playful opinion that one might expect that a debate supported from these very opposite quarters was likely to show disagreement in the argument. And there is disagreement in the argument. My hon. friend from Frontenac proved that the dairy industry was going forward by leaps and bounds. My hon. friend (Mr. Sinclair) to my right said that they feared for the fertility of the soil if oleomargarine was introduced. I thought the facts of one hon. member contradicted the position of the other. The point is a small one. I do not think we are suffering very much from the want of fertile soil in Canada. I do not want to extend my remarks; I think I have said enough to indicate where I stand. I believe in conferring the benefit of freer trade wherever it is possible to do it. It has been clearly possible to do it in this case without hurting the industry in question. It is a great boon, or the people think it is a boon to large masses of the people in our cities, and I trust the minister will stick to his guns and give the people engaged in this industry in Canada some security in following it by knowing where they stand in the matter, and at the same time promote international commerce between us and the great nation to the south of us to at least this small extent. I am perfectly sure that it is along those lines, rather than along the lines of further restrictions, that we are going to take the best road to solve our difficulties of high cost of living, unemployment, lowering of trade, general depression and want of prosperity from which we are suffering at the present moment.

Mr. GEORGE BOYCE (Carleton): Mr. Speaker, while I have no objection to any person using oleomargarine, if he wishes to do so, I have very strong objection to its coming into this country free of duty at this or any other time. Possibly a year or so ago, when butter was 70 or 75 cents a pound, there might have been some excuse; but at the present time when butter is down to 25 or 30 cents a pound, I do not see that any excuse can be urged on the ground of poor people requiring a cheap article. Whatever may be said about the quality of this article, I for one have no great fancy for it; I never ate any of it, and I would not do so if I could avoid it, because I do not think that, being made of grease, it is of any benefit to our farmers. I would not buy it. The minister should proceed very carefully at the present time because the farmers of this country are passing through a serious

crisis. I speak as one who should know a little about farming because I have been a farmer all my life; I know fairly well the wants of farmers and what suits them. If you do away with the dairy industry, you hurt agriculture to a greater extent than is possible in any other way that I know of. Some one said that dairying or cattle-raising was not of very much benefit to the soil. I am glad to say that that gentleman did not live in Ontario, because, if he did, he would tell a different story, as this is of the greatest possible assistance to farming. Cattle-raising is one of the mainstays of the farmer in Canada. In Great Britain, Germany, Italy and other countries, a farmer would not think of putting in a crop without the addition of fertilizer; but in this Canada of ours, at least in this section of it, it is impossible for us to get fertilizers, and the next best thing is cattle-raising, and the dairy industry. Let me tell the House that the dairy production of Canada in a year amounts to $250,000,000. We export over $258,000,000 worth of cattle, and our other agricultural exports amount to over $365,000,000. The number of livestock, milk cattle, and dairy cattle, in this country is over 20,000,000. That is a very large number, and this stock is of great benefit to our farms in putting them in better condition for raising other agricultural products. Some may think that a very high valuation has been placed on this livestock, but the valuation which is not too high at all, amounts to over $1,296,000,000. That is something that ought to be looked after very carefully and not injured in any way. The farm lands of Canada are valued at $2,792,000,000; the buildings which we must have in connection with the farms are valued at $927,000,000, and the value of the implements amounts to about $387,000,000. Altogether, the value of what is connected with farming and the dairy industry, which is the mainstay of the farm, amounts to about $9,000,000,000, which would pay the national debt of this country four times over. Anything that represents such an enormous amount of value, and especially something upon which all of us, city people as well as country people, depend for our living—because we are all as anxious for good crops as the farmers are—deserves to be protected as well as possible. I trust the minister will not do anything which will injure the dairy production of this country. If the dairying industry is hurt, another thing that is going to be handicapped is the production of ice cream and condensed milk. As a body of Canadians we ought to do all that we possibly can to foster the dairy industry, because it must be admitted, according to the agricultural returns, that it is one of the greatest benefits that we have in the Dominion of Canada. If we throw obstacles in the way of that industry, we are going to hinder the progress of the country at a time when we should do everything in our power to meet the national debt which has accrued in years gone by. The money has to be raised; it must be paid, and no one is more willing to assist in paying that debt than the Canadian farmer.

[Mr. Boyce.]

At Six o'clock, the House took recess.

After Recess

The House resumed at Eight o'clock.

Mr. A. M. DECHENE (Montmagny): (Translation.) Mr. Speaker, the legislation with which we are now dealing is more important than it might appear at first glance. Shall we allow the sale of oleomargarine or other substitutes of butter? Such is the question which we have to settle.

The Government, through the Minister of Agriculture, favours that sale. Shall we follow them in that course? As far as I am concerned, I do not think that we should do so, and for many reasons. What strikes me first is the time chosen for bringing down such legislation. I object to the practice of the Government in trying, on the very last days of a session, to shove through any legislation of a more than doubtful intrinsic value. In the present circumstances, do they want to avail themselves of the unfortunate tendency of this House to pass a Bill without giving it the full consideration it ought to receive? I am rather inclined to think so. I do not know for whose benefit this legislation will be enacted, but I am satisfied that it is not to foster the dairying industry of this country that this legislation is asked, because that industry will be the very first to suffer from the sale of these substitutes of butter. Besides, the consumer pays as much for substitutes as for butter, and it therefore cannot be in the interests of the latter that this Bill is introduced, as it will be of no benefit to the great mass of people.

However, somebody must be interested in keeping those products on the market. The manufacturer and the importer would be the only parties interested. This, I

understand, is an excellent reason for the hon. Minister of Agriculture and his colleagues to allow, henceforth, the importation into this country, as well as the sale and even the manufacturing of oleomargarine, butterine and other similar products. It is, as in the past, a discriminating legislation in favour of the manufacturer and of the Government's friends. I see nothing there but a law for the benefit of a few privileged people, a law absolutely Tory in its character. This is already enough to satisfy me that the Bill is unsound and contrary to the best interest of the country as a whole; nay more, it directly affects the material interests of the Canadian people and is detrimental to the dairy industry, which is the very basis of national prosperity; it affects everything connected with agriculture, and its depressing influence will be felt more and more by the farming community of this country. What would we have gained in working for half a century to improve our farming and our dairy products, so as to place them on the markets of the world, if we now try to maintain in our midst a destroying germ introduced during the war, a germ which will contribute to checking our progress in the dairy industry, and I say it without hesitation, a germ of death?

We have established in this country, with great pains and with great effort, a Canadian herd of considerable value. When we consider that this herd is at present valued at about $1,296,602,000, we necessarily wonder why Canada, a country so naturally peaceful, should maintain a herd of so considerable a value. The reason is very simple, the herd is the soul of the farm; without it, a farm cannot be maintained even in a fairly good agricultural condition. Let my hon. friend from Red Deer (Mr. Clark) say what he likes, the fertility of the soil depends, to a great extent, on the herd, and the fertility of the soil, coupled with the fact that our farms are kept in good condition, means the enriching of the farming community and of more than half the population, and the enriching of that class really means the enriching of a country as a whole. If you introduce into your legislation a principle which is destructive or likely to check the improvement or the enriching of the farming community, you introduce by the very fact, a principle which is apt to destroy the prosperity of the nation. Considering the enormous debt which we are saddled with and which we will be called upon to pay within a pretty short delay, a debt which weighs mainly on the farming community, how can we expect those people to carry their burden if, first of all, we impede their production?

Mr. Speaker, when the House rose at six o'clock, I was alluding to the value of the Canadian herd, to the great amount of work necessitated during the last fifty years to establish that herd, and I was referring also to its general importance. I think there are others also who acknowledge the importance of the Canadian herd. The hon. minister himself (Mr. Tolmie) laid great stress on the value of that herd as well as on the means by which we should try to increase it and give it an additional value if possible, when he brought down, this year, the Estimates pertaining to agriculture. In fact, if we refer to those Estimates, we find that of the sum of $4,502,139.50 voted for agricultural purposes in 1920-21, two important items have been exclusively applied to improving and maintaining the national herd. We find, in this vote, $1,410,000 exclusively reserved for the care of the Canadian herd. We find, moreover, a sum of $1,000,000 intended for the improvement of that herd or, in other words, two millions and a half, out of four millions and a half, exclusively devoted for these purposes. Therefore, the hon. minister himself understands how important it is for this country to have an important herd and one of the best. But, Mr. Speaker, what would be the use of having such good herds if they were merely to supply food, to supply butchers' meat? Evidently, the thought by which the hon. minister is guided in the very administration of his department extends further. He knows that, to every good farmer, the herd is foremost and that large sums of money are voted to keep it foremost. Now, Mr. Speaker, if the usefulness of the national herd is so well understood, if it is admitted that this herd must be beneficial to the farmer, by all means it must necessarily be admitted that the main object of a herd, for a farmer, is surely to warrant the operation of the dairy industry.

And if the dairy industry be the very basis, the foundation of Canadian farming, why do they come and ask this House for the continuance of evils we had to endure during the war? For you will agree with me that the trade in oleomargarine, butterine and every other substitute for butter is an evil brought upon us by war, an evil which we were able to exclude and which, it seems, is liable to implant itself anew

among us, for reasons still unknown. We should not permit oleomargarine and other substitutes for butter to be imported into Canada, to be manufactured on a large scale and often sold in a fraudulent manner; I say fraudulent because traders often sell to their customers oleomargarine and other substitutes as if they were real butter, though they are but a camouflage.

The introduction of this product on our market, the permission to manufacture it on a large scale would also have another result, besides dissuading our farmers from keeping good herds of cattle. Observing that the possession of a first-class herd upon his farm is not calculated to bring him a sufficient income, and that every product which might hinder the development of that herd is admitted to the market just like the natural, the pure product, the farmer will of course desert that industry and we shall soon see the butter, cheese, condensed or evaporated milk factories jeopardized. Let us bear in mind, Mr. Speaker, that we have in this country 3,282 factories of butter, cheese and milk by-products in which up to date a capital of more than $25,388,026 has been invested. Should the time come when no profits will be derived from the sale of butter and cheese, these factories will certainly close their doors, so that the farmer's son will be incited to leave the paternal roof and go into the cities where he may at least expect a better living without having to work for a paltry income. People often complain that young men turn away from the fields. Why? Because, often enough, work of a farmer doesn't bring as much money apparently as the workingman can earn in the cities, and because life is less cheerful and pleasures are wanting in the country.

If you suppressed whatever advantage there may be in the dairy industry, what will remain to keep the farmer's son at home? We who are living in country places know that every month or every fortnight the butter or cheese maker pays to the farmer for his milk and cream a sum of money which is brought home and accumulated monthly. This adds enchantment to life and incites the young farmer to grow fonder of rural life. Therefore, by doing away with that advantage you offer those young men a further excuse for leaving the paternal roof.

Somebody said a moment ago that we should let everybody buy what he wants according to his taste. An hon. gentleman was asking the fiery member from Red Deer (Mr. Clark) whether or not he would consent to the sale of wheat as he would like butter and cheese to be sold. My hon. friend answered that he was in favour of the complete freedom of trade. Since they are in favour of the complete freedom of trade would it be wise to open our doors to every kind of produce which might come from abroad and over which we have for a number of years deliberated with as much wisdom as sternness?

Under the circumstances I think we ought to be satisfied with our natural product and to keep for ourselves the already restricted market we have. At the present time we have large quantities of butter and cheese. On the first of January, 1921, our stock of butter and dairy produce amounted to 14,271,382 pounds; we had 11,078,000 pounds of cheese and 412,962 pounds of oleomargarine; we had almost two pounds of cheese and three pounds of butter per capita in store in this country, a large quantity which shows that production has now reached its maximum, and unless we pay attention to it, butter and cheese-making is going to be materially reduced for some years to come, so that farmers will have to change their ways, that is improving their herds, their lands and their produce.

Mr. Speaker, the hon. Minister of Agriculture has agreed with the departments of agriculture in the various provinces that they would attend to the registration of milch cows, so as to remove from the herds unsatisfactory cows and to know what quantity of milk is given by each animal. In former years the farmers had no confidence in the efficiency of that cow-testing method. The Quebec and Ontario governments lent a hand and immediately we witnessed a material increase in the number of tested cows and at the same time a greater quantity of milk given by each animal. Last year, the quantity of milk in each province was already large. In 1919, there were 22,517 registered animals; 10,374 in Quebec, 4,214 in Ontario and 2,714 in Nova Scotia—mentioning only these three provinces. In 1920, in the province of Quebec, the number of cows exceeded 35,000. I regret that I have not the figures relating to the other provinces. Quebec may now boast of having more than 50,000 tested cows.

Therefore the farmers in the provinces which are more interested in this movement will know how to increase their output of milk and fat; but if on the other hand, substitutes for butter and cheese which would

submit them to a ruinous competition were allowed on the market, they will have the right to ask us whether we are justified in advising them to do what they are doing and we shall then see the good work done so far set at naught.

Those are some of the reasons that ought to guide us when we are considering this Bill. According to me, the reasons I have mentioned as briefly as possible are peremptory and I have no hesitation in saying that the proposed legislation will have disastrous consequences all over the country and that we ought to oppose it. I am of the opinion that members of this House should take a greater interest in the development of the country than in the passing of a Bill granting favours to a few only, and that they ought to join hands with the opponents of this measure.

Therefore I beg the hon. minister to desist in furthering this legislation.

Hon. Mr. TOLMIE: I have listened with a great deal of interest to the discussion that has taken place. Some of it has been to the effect that the butter situation has been seriously affected by allowing oleomargarine to be manufactured and imported into this country. This is not backed up by figures. As a matter of fact, the output of our dairy products has greatly increased during the period in which the manufacture and importation of oleomargarine has been permitted. We also find that in such countries as Denmark, which produces the highest quality of butter in the world, and which depends for its prosperity upon the production of butter, the people of that country consume no less than forty-four pounds of oleomargarine per head per year. Oleomargarine has been recognized as a very wholesome article of food all over the world and Canada is the only country at the present time that has any restrictions on its manufacture, importation or sale. It has proven a boon to the poor man during the periods when butter has been at a very high price and we find that lately, since butter has come down in price to the point where it is now only a few cents above oleomargarine —in the city of Ottawa to-day oleomargarine is selling for only 7 cents a pound less than butter—the consumption of oleomargarine is almost nil. There is nobody in the country who has any taste for good butter who will buy oleomargarine if good butter is to be purchased at a reasonable price, and that is the case all over the world. I do not propose to take up any more time at present. I rose simply to say that as there seems to be a good deal of difference of opinion as to the length of time to which we should extend this provision I am willing, as we are nearing the end of the session, and we wish to avoid a long discussion, to extend this provision for the manufacture, sale and importation of oleomargarine for another twelve months, if that meets with the approval of the House.

Hon. W. S. FIELDING (Shelburne and Queen's): I am very sorry that the minister has announced this change of front. A year ago when he was dealing with this subject I ventured to express the hope that he would then deal with it as a permanency, or otherwise he was simply postponing trouble. Now the trouble has come. I do not think there is any justification for placing restrictions on the manufacture, sale and importation of oleomargarine. It did not need any statistics, which have been so freely given this afternoon and evening, to show us the importance of the dairying industry. It is a very great industry, one of the natural industries of the country, and if there is any industry of Canada that can stand on its feet and live and flourish irrespective of outside considerations, and that simply asks for a fair field and no favour, it is the dairying industry. It is for the moment under a little temporary depression, but not more so perhaps than some of our other industries. There has been a rapid decline in the price of butter and cheese, more rapid perhaps than the decline in the price of the articles which the dairyman requires, and in that respect the dairying industry is for the moment suffering, but that is only a temporary condition. The dairymen of this country are producing something that the country wants; they are producing something perhaps of as good a quality as any other country in the world produces, and under these conditions I do not think there is any fear for the dairying industry. I have never been able to see how the dairying industry was mixed up with oleomargarine. I quite agree in what the minister has just said, that when people can get good butter at a moderate price they do not want oleomargarine under any condition.

The real question in this matter is this: Is oleomargarine a legitimate article of commerce? That is the whole question. If it is not a legitimate article of commerce let us bar it out. If it is a legitimate article of commerce, why should we interfere with it at all? This is not a tariff Bill. I am

not discussing whether there should be a duty on oleomargarine. If anybody wants to put a duty on oleomargarine I shall not quarrel with him. It is as legitimate a subject for taxation as butter, and I have no doubt that the manufacturers of oleomargarine in this country would be exceedingly pleased to have a duty. But that is not the question to-day. The question is: Is this a legitimate article of commerce? The whole world outside of Canada answers that question: Yes, it is a legitimate article of commerce. Twenty or thirty years ago when oleomargarine was first banned it was not so regarded. Perhaps in those days—it is a good many years ago, and I am not so familiar with conditions then—margarine was a cheap and nasty product which we had better do without. I do not know whether the prohibition originally came because the article was in itself unwholesome or as a protection to the dairying industry. If it was unwholesome in the early days it is not so now. The minister has stated that oleomargarine is not unwholesome, but that it is a healthful article of food: It is not as good as butter, nobody pretends that. If it is a wholesome article of food, what justification is there for barring it out? If there was justification thirty years ago, that time had passed long before the recent years in which this matter has come up for discussion. So long as good butter could be obtained at a reasonable price, nobody paid any attention to this matter. If the question had been raised at any time during the last ten years, no good reason could have been found for banning oleomargarine.

Every country in the world except Canada recognizes that it is a legitimate article of commerce. One is reminded of the old story of the juryman who complained that he had never seen such stupid men in his life as the eleven others. The opponents of oleomargarine are in just that position. The whole world except Canada says: Oleomargarine is all right, let us buy it, and sell it if we can. But we are going to decide in Canada, against the judgment of the whole world, that it is not a legitimate article of trade, and it seems to me that that is not a position that can be maintained at all. We are told now that oleomargarine has been adulterated. Just imagine, Mr. Speaker; it is being adulterated by being mixed with butter. Well, adulteration implies the deterioration in quality of an article, and the creation of something inferior by the addition of a poorer substance, and you could not possibly adulterate oleomargarine by putting good butter into it. That argument is absolutely fatuous. It seems to me that the question we have been discussing is wholly a mistaken one. The sole question is this: Is it a fair article for general trade? That is all. I cannot believe that there is any danger to the dairy industry from the sale of oleomargarine. The question is much less important to-day than it was a year ago. I grant you that to-day it is not very material whether this Bill passes or not, for the people are not going to use oleomargarine in Canada if they can get good butter at a reasonable price, and but for the principle involved in the Bill, I would not raise my voice in the matter at all. If my hon. friend the Minister of Agriculture (Mr. Tolmie), decides on an extension of time for another year, he is only putting off the responsibility for some other minister. This Bill, as introduced in the House, is a sound Bill. It recognizes that oleomargarine is a legitimate article of trade, and says that its sale shall not be forbidden, as has been done in the past. Put all the regulations you like around its sale, and take every precaution which you think will in any way prevent fraud. If you have not sufficient regulations to ensure that the article is properly stamped, and advertised to the public as oleomargarine, then make your regulations stronger. I will support the minister in anything that will guard against fraud, and whatever provisions he thinks are necessary to this end, I will commend; but do not commit the folly of prohibiting the importation and manufacture of this article when the whole world says that it is only an ordinary legitimate article of trade. The question of free trade does not enter into the matter at all. The Bill is not a tariff Bill. If you want to put a duty on oleomargarine, put it on by all means; I will not quarrel. It is quite as legitimate a subject for duty as is butter, and if you want to tax butter and tax oleomargarine as well, I shall not object. But that is not the question. The question is: Shall we or shall we not permit oleomargarine to be sold and manufactured? Some one says that no harm is done by the sale of oleomargarine if you grant this extension of time for a year, while others contend that even if you stop it, no injury will be done. Well, injury will be done to the people who have invested their money in

whatever apparatus is necessary for the manufacture of oleomargarine. There are several factories in Canada, although I have not the pleasure of knowing any one connected with any of these factories and cannot say how they are individually affected; but if men have been induced to put money into factories for the manufacture of oleomargarine and are kept in suspense from year to year, it is certainly not fair to them. It would be far better to prohibit the manufacture and sale of this article at once, and have done with the question; but the idea of giving a few months' permission to people to manufacture the article, and then having the question raised a year hence, is an unfortunate mistake. I hope the minister will stand by his guns, because the Bill is a good one and I will support it.

Mr. H. M. MOWAT (Parkdale): Those who have so far taken part in the debate seem to be gentlemen who have come from the farm and are interested in the dairy industry. But there is another important class who wish to be heard in the matter, and that is the inhabitants of the cities. There is a very large demand for oleomargarine in the cities at times when the price of butter is as high as it was a few months ago, ranging from 65 to 70 cents. The mere fact that, fortunately for them, the price of butter is temporarily down, does not affect the principle of this Bill. The Dairy Industry Act of 1914, section 5, says:

> No person shall manufacture, import into Canada, or offer, sell, or have in his possession for sale, any oleomargarine.

If this Bill were defeated, that section I have just read would again come into force and interfere with business as it is at present carried on. I have received about twenty letters of protest from dealers, and I think it is only proper, now that the Bill is being discussed, that I should record the opinions expressed in those letters. I shall read them as I have them here:

> I am taking the liberty of asking you to do anything you can to prolong the life of oleomargarine in Canada.
>
> Arnold Bros.,
> Butcher & Grocers.

> If Oleomargarine were to be removed from the Canadian market I think it would work an actual hardship on a great many people who have been consistent users of this product.
>
> J. G. Pond,
> Grocer and Fruiterer.

> We would like to go on record as being absolutely opposed to the discontinuance of the sale of oleomargarine in Canada.
>
> Philbrook Bros.,
> Butchers.

> As I am one of many retail merchants in your constituency who sell this produce, would like to urge your support of the Bill.
>
> A. Snyder,
> Grocer.

> I have several customers who use oleomargarine all the year round and I do not see any reason why the people who wish it should not be able to buy oleomargarine as well as any other food product on sale in the retail stores.
>
> Frank H. Ball,
> Groceries and Fruit.

> Think it will work a hardship on some of the consuming public who buy oleomargarine for cooking and eating purposes.
>
> Lyndroute Groceries, Ltd.

> Have just heard that oleomargarine legislation is being considered at this session and as I have some customers who use this product at certain times of the year when butter is high, I would like to ask your support on any measure permitting the permanent sale of this product.
>
> A. E. Maundrell,
> Meats and Provisions.

> A number of my customers at some seasons find it a hardship to pay the high price of butter, and on their behalf I would like very much to have your support of any measure making the sale of oleomargarine a permanent matter.
>
> Alex Dury.

> I have customers who at some seasons of the year use this product exclusively on account of the high price of butter.
>
> G. Ferguson,
> Butcher and Grocer.

> I have a constant demand for it from a certain class of my customers.
>
> R. L. Love,
> Butcher.

> I find that there is quite a sale for oleo, and if the public as a whole are deprived of the privilege of buying it, it would work a hardship in many cases.
>
> C. Barrett,
> Grocer.

> Will you kindly lend your support to help the passage of any bill before the House which would permit the continuous sale of oleomargarine in Canada?
>
> John Sherriffs.

> Our customers buy this product because it effects a big saving in their household expenses. Oleomargarine is a clean and wholesale food product and as such we think it has a distinct place among other food products in Canada.
>
> Cook Bros.,
> Grocers.

As I understand it, the Dairy Industry Act, passed in 1914, was framed with the distinct object of providing that the manufacture of butter, cheese, and other dairy products should have certain restrictions and safeguards for the protection of the people, and this section with regard to the importation of oleomargarine was merely a little clause thrown in at the time by way of extra precaution. At that time, oleomargarine was a very different product

from the article now sold; it was not surrounded by the protection of inspection now provided by the Department of Agriculture. It was entirely different from the oleomargarine now on the market. It seems to me, therefore, that it would work a great hardship on the business of the country if, by the defeat of this Bill, the Act of 1914 were revived, absolutely preventing the importation and sale of oleomargarine. But there is another reason why I think we should be at fault in not supporting the Bill, and that is the fact that the women are almost unanimously in favour of it. Those women who are engaged in the dairy business might probably, like those of our friends who have spoken against the measure, be opposed to the importation and sale of oleomargarine; but the ordinary woman in the country who belongs to Farmers' Institutes and kindred societies, does not believe that the sale of this article has any adverse effect on the dairy industry. Indeed, I have received a letter which shows that women's societies of this class are very much in favour of this legislation. I know, as a matter of fact, that the National Council of Women favour this Bill, and other bodies that support it are the Montreal Women's Club, the Housewives' League, the Catholic Social Service Guild, the Catholic Women's League, the Montreal Board of Trade, the Jewish Council of Women, the Local Council of Women, and the relief branches of the Salvation Army. Now that we have given the women of the country a voice in the direction of public affairs, by conferring upon them the right of the franchise, we should depend upon them to keep us properly advised in matters of this kind, because they are the buyers of the food for the family, and they know more about this sort of thing than any honourable gentleman who has spoken in the House on the subject to-day. They know what is good, and what is healthful in the way of food, and I do not think that any restrictions, such as would exist if this Bill were defeated, should be placed on the housewives and the home managers of Canada. For these reasons, and on behalf of the consumers not particularly engaged in the dairy business, I hope that this Bill will carry. The minister suggested to-night that he should limit the period of its importation for one year. I am inclined to agree with my hon. friend for Shelburne and Queen's (Mr. Fielding) that we should settle the principle now. If we are beaten it cannot be helped, but I do not think we will be beaten. To go back to the old legislation will be a distinctly retrograde step, and I hope the minister will not consider it.

[Mr. Mowat.]

Mr. J. W. KENNEDY (Glengarry and Stormont): The question now under discussion is of considerable importance to the people of this country, both consumers and producers, and I am inclined to think it affects the consumers to a much greater extent than it affects the producers. It has been argued that to allow the importation, manufacture and sale of oleo in Canada is a menace to the dairy interests of this country. With that view I cannot agree. I do not think that the permission to sell oleo in Canada, or to manufacture it, is a very serious menace, or in fact a menace at all, to the dairy business. The matter works out in this way: Ever since 1917 Canada has been exporting large quantities of butter, principally to the British market. The price of that exportable surplus has been determined on the British market where it has to go into competition with the butter of all other countries, and also with oleomargarine. The price of butter in Canada is, to a very large extent, determined by the price received for our exportable surplus. If the price in Canada falls below the price received for the exportable surplus, then the supplies of butter will be drawn away from our Canadian markets to go into our export trade occasioning a shortage which will enhance the home price to meet the price of the export trade. In the same manner, if the price on the Canadian markets rises above the export price, then the butter will be drawn away from our export trade until we will have no exportable surplus whatever. But as long as Canada has an exportable surplus of butter the price on our home markets will be largely determined by the price received on the British market, and the butter which is sold there is sold, and has always been sold, in competition with oleo. Therefore it is quite inconceivable that the admission of oleo into this country is going to affect the price received on the British market for our butter, and that price largely determines the price of Canadian butter on our Canadian markets. There may be slight variations, due to local causes which are of a more or less temporary character, but in the main that argument holds good. So that while we are now selling our butter in competition with oleo, it would not be any benefit to the dairymen of this country to have oleo excluded from our markets. In brief, my argument

is, that to admit oleo into Canada for sale on the Canadian markets is not going to depress the price we receive for our Canadian butter; and to exclude it from our markets is not going to enhance the price in the Canadian markets, because the price paid for butter is in no way determined by the cost of production plus a reasonable profit. As I say, the price is determined by market conditions the world over, and the cost of production in Canada is not taken into account. I therefore think that much of the argument advanced against the measure which the Minister of Agriculture proposes is wide of the mark.

It has been said that oleo during the last two years has been displacing a large quantity of Canadian butter in the Canadian home. That is quite true, but it is unfortunate more from the standpoint of the Canadian consumer than from the standpoint of the Canadian producer, because the consumer is made to believe he is buying and using a substitute for butter, something which will give him an equivalent food value for butter, which contention I, of course, dispute. Very extensive investigations have been carried on by nutrition experts throughout Canada and the United States, as well as in Europe, and, although opinions differ, I am inclined to think the result of their conclusions would be that there are certain elements of nutrition—very essential to the growth of the human body and the maintenance of human vigour—present in butter and dairy products which is entirely absent from oleomargarine. So that the continued use of oleo instead of butter might, over a long course of years, be considered more or less of a detriment to the public health. That is a question which I commended to the consideration of the minister last year, and, I think he might well investigate that question more fully in the next twelve months during which he proposes to permit the importation of oleomargarine into Canada.

The statement has been spread broadcast throughout this country, and it has I think been repeated in this House on several occasions, that the sale of oleo is going to be a great boon to the Canadian people. Now I think that argument has been altogether over-estimated. Oleomargarine may be an advantage in certain times when the price of butter is very high, but when you figure out the amount of butter used by the average family, and figure out the difference in price between butter and oleo, and the actual financial advantage, I think the real advantage is very small indeed and has been very much over-estimated. Now while the dairymen of this country are quite ready to accept the competition of the manufacturers of oleo at any time, they do expect that that competition will be fair and above board, and that such manufacturers will not be permitted to impose something on the Canadian people as a substitute for butter which is not butter and which is not as good as butter. In view of this fact I would like to draw the attention of the minister to some of the restrictions the dairymen of this country would like to have imposed on this article, and in doing so I would suggest that those restrictions be embodied in this Bill. They should be covered by statute and not left to be a matter of regulation by the department. I think we should recognize the responsibility of Parliament in this matter, and insist that these restrictions be incorporated in the statute and not left altogether to the department. In the first place everybody knows that butter has a well recognized standard colour, although certain markets, of course, demand certain variations in that colour. Oleo is placed in the market largely with the view of taking the place of butter, and the manufacturers of the product have done all they can to imitate butter as to colour. It is true that they are prohibited by regulation from placing any colouring matter in the materials they put into oleo, but they get around that by including in their oleomargarine articles which in themselves are coloured and which give the product practically the same colour as butter.

The dairymen and consumers of this country have every right to expect that the minister will provide in his Bill that the manufacturers of oleomargarine shall not imitate the colour of butter in their product so that at a glance oleomargarine may be distinguished from butter. They might also rightly expect the minister to provide that on every package of oleomargarine its ingredients shall be printed or stencilled. This is not an unreasonable request, because it is already required in regard to commercial feeding stuffs. It will be remembered that in the Act passed last session providing for the regulation of the sale of certain commercial feeding stuffs, manufacturers were required to stencil their packages not only with an analysis of the chemical contents but with the proportions of the various ingredients. If the department is so solicitous for the welfare of our

animals, surely they should be equally solicitous for the welfare of our people.

Then another thing which we have always considered more or less unfair is that although the Dairy Standards Act requires that nothing but butter fat shall be allowed to enter into the manufacture of butter, yet in the manufacture of oleomargarine it is permissible to use large quantities of butter and milk, these products of the dairy being mixed with other fats or oils. This practice, I think, is rather unfair to our dairymen, and they are quite justified in asking that no dairy product whatever be allowed to be used in the manufacture of oleomargarine. If the people of Canada want to use oleomargarine on their table, we are prepared to meet the competition of the manufacturers of oleomargarine, but we do object to meeting unfair competition by reason of their being able to use some of our products in the manufacture of oleomargarine, whereas we are prohibited—and quite rightly so—from using anything but butter-fat in the manufacture of butter.

These few suggestions I commend to the consideration of the minister during the next twelve months, so that before he decides to make this measure permanent he may consider the advisability of prohibiting by statute the practices that I have alluded to.

Mr. S. F. GLASS (East Middlesex): Mr. Speaker, I do not very often claim the indulgence of the House, but I desire to say a few words on the subject now under consideration. I agree with a good deal of what the hon. gentleman who has just taken his seat (Mr. Kennedy) has said. In my opinion our trouble at the present time is not so much the fact that oleomargarine is being manufactured and distributed, but the indefinite position in which it stands. In 1918 when the then Minister of Agriculture, the hon. member for Marquette (Mr. Crerar), introduced a similar Bill he said:

> Now, I want to draw attention to the fact that the Order in Council with regard to oleomargarine sets out that it is to be regarded as a war measure. In the preamble we find these words:
>
> "Such regulations to be in force and to have effect for the period during which the present abnormal conditions continue, the conclusion of such period to be determined by His Excellency the Governor General in Council, as provided in the said regulations, and as a war measure only."

The Bill which he introduced permitted the importation and manufacture of oleomargarine under certain regulations, and I find the complaint in the country generally has not been so much against the manufacture of this article under the rigid restrictions imposed by the department, but that the sore touch all through has been that although a duty is imposed on the farmer's butter, yet this substitute, which is admittedly an inferior article, has been admitted free.

Prior to the expiration of that Act notice was given that it would be extended for another year, and the hon. gentleman who now occupies the position of Minister of Agriculture (Mr. Tolmie) when introducing the Bill in 1920 for that purpose said:

> Now, so far as the extension of time is concerned, it appears that the condition that prevailed when the Act was first passed to offset the high price of butter still obtains. Oleo is used to a very great extent by large numbers of poor people in the large cities and also in the country, and I consider that at the present time it is advisable to at least extend the Act for one year, and during that period to watch very carefully what measure might be adopted to put down the fraudulent use of oleo as butter. It is the intention of the department during that period to accumulate from other countries as much information as possible as to what is being done along this line, and to do their very best to apply this Act rigidly.

Now, Sir, the dairy industry of this country contributes a very large part of our agricultural production. The record I have here for 1919 shows that the value of the produce of the dairy for that year amounted to no less a sum than $251,526,201; and looking over the lists provided by the department, I find that the dairy interests of Western Canada have been increasing their production very rapidly, and that during the past five years the production has almost doubled. Therefore, our concern in this matter is not confined to the provinces of the East, it is a matter of very great concern to the provinces of the West.

I take it, Sir, that the people who represent this industry are entitled to some consideration. The hon. member who last spoke made several suggestions, almost all of which are embodied in the circular from the National Dairy Council of Canada, which was read this afternoon by the hon. member for Antigonish and Guysborough (Mr. Sinclair). Now, Sir, who compose this National Dairy Council? Do they represent the interests of the great dairying industry? I find that from the Atlantic to the Pacific the dairy interests are linked up in this one great organization. In it are included the Ontario Milk

and Cream Producers' Association, the Dairymens' Association of Western Ontario, the Dairymens' Association of Eastern Ontario, the Dairymens' Association of the Province of Quebec, the Montreal Milk Producers' Co-Operative Agricultural Association, Canadian Milk Distributers' Association, Canadian Ice Cream Manufacturers' Association, and so on. In the West we have the provincial dairymen's associations of Manitoba, Saskatchewan, Alberta and British Columbia, and the Fraser Valley Milk Producers' Association. Coming back to the East, we have the New Brunswick Dairymen's Association, the Nova Scotia Dairymen's Association and the Prince Edward Island Dairymen's Association. It will be seen, therefore, that almost all the large dairy interests from the Atlantic to the Pacific are represented.

Now let me point out—and I say this by way of commenting on the suggestion that the minister has made to-night—that it may be all very well to let this matter stand for another year, to let it remain in its present unsettled condition, but personally I do not believe that is the best policy. There is a way of dealing with this matter, and dealing with it once and for all. I think the people are tired of the pussyfooting on this Bill; they want some definite policy on the part of the Government, something that will let them know definitely where they stand. This circular, a copy of which, no doubt, the Government has received, sets forth the views of the dairymens' associations—and I think they are reasonable views. I gather from a reading of the letter that they have become reconciled to the continuance of the manufacture of oleomargarine in Canada, but they ask that certain further restrictions be imposed, and I want to point out what they are. If they are reasonable, it seems to me that this matter should be disposed of once and for all, in such a way as to create satisfaction among these men—because there is an alternative which will suit them—and at the same time to be fair to the farmers who produce the butter; let oleomargarine, which comes into Canada free, pay a duty just as butter does I wish to read again the resolution adopted by the National Dairy Council at its annual meeting in Toronto last month and to make some comments as I go along. The resolution says:

> That this Council strongly disapproves of the efforts of manufacturers and vendors of oleomargarine to present that article in such shape, appearance and colour as to attempt to deceive purchasers into the belief that they are actually getting butter or an article with the same food values as butter. This Council is of the opinion that to remove the unfairness of the competition of oleo with butter, and to prevent deception and dishonesty, strict regulations in addition to those now in effect should be passed by the Government of Canada providing for a standard colour of oleo other than the colour of butter, the printing on the container of each package of oleo a statement of the ingredients used to make up the oleo and the proportions of each ingredient. Also that no dairy products be allowed to be used in the manufacture of oleo sold in Canada.

The hon. gentleman who preceded me has pointed out that the dairymen have said: We do not allow butter to be adulterated. We have thrown around that other staple agricultural product, maple sugar, all the necessary protection, and the people of this country endorse the action of the Government in that record. But we say, on the other hand: You may adulterate your oleomargarine with butter. The member for Shelburne and Queen's (Mr. Fielding) I think, pointed out that you cannot adulterate an inferior thing with a better thing. I have not the strict definition of adulteration, but I think that adulteration might very well come under the head of blending these two entirely different articles of food to bring about a cheaper average. Be that as it may, that is the thing to which objection is taken; that is the thing which the Dairymen's Council of Canada would like this Government to correct. Is it or is it not reasonable? I cannot see any earthly objection to it. It is bad enough for these people to use milk in churning up their greases without their taking our standard creamery butter and using it in the manufacture of their product. The Canadian manufacturers of oleomargarine issued a circular a couple of years ago in which they asked the question: "What is margarine?" Then they went on to describe what it was. When you examine the ingredients of margarine you find that it certainly does contain a very large amount of pure dairy products. I quote from the circular of the Canadian manufacturers of margarine:

> Oleomargarine is a distinct product made of the following ingredients:
> Products of Canadian farms:—70 to 75 per cent.

They desire to point out that in the manufacture of this product they are using materials which are the product of the farm to the extent of 75 per cent. The circular goes on:

1. Oleo oil—separated from the crude edible beef fats of the abattoir so as to produce a soft fat. This has resulted in increasing the value of all beef fats. Its manufacture is safeguarded under rigid Government inspection so that it is a perfectly wholesome product. It is to the interest of every farmer to have oleo oil produced in Canada.

2. Neutral lard—separated from the crude, edible lard of hogs in such a manner as to eliminate the objectionable taste of ordinary lard. This also increases the general value of lard. It is produced under rigid sanitary inspection.

3. Milk—the fats are churned with milk under the most rigid sanitary inspection.

Note—only the finest creamery butter containing no artificial colour is permitted to be used.

Other products:—25 to 30 per cent.

1. Vegetable oils such as peanut, cocoanut and cottonseed oils. These must be of a quality to pass rigid Government inspection.

2. Salt is the only other product added.

These products are mixed together and churned in factories under the direct inspection of officers of the Department of Agriculture. Thus a distinct product is obtained which, by the excellence of the process of extraction and manufacture, has turned into a palatable form those fats, etc.

The people of this country have used oleomargarine during the last few years, including the last years of the war, and no one denies that it does contain 9 p.m. good food substances. But that is not what is the trouble. The trouble has been that we did not take the proper stand in the first place. It may have been all right to regard it as a good article of food in wartime, under proper safeguards, so that it could be sold on its merits, but, as I say, objection has arisen owing to the indefinite policy which has been pursued in reference to the matter. The importation and manufacture has been extended for a year and then for another year; no definite and permanent policy is adopted, and a state of uncertainty exists. It would have been far better if we could have faced the music and settled the thing once for all. I think it is possible for the minister to deal with this matter so that it will not be a recurring nightmare in this House and a continual source of irritation throughout the country. The National Dairy Council, as I have pointed out, prefer that oleomargarine should not be manufactured to compete with their butter. But they say, in concluding the letter to which I have referred:

It is submitted there is now no necessity or justification for the continuance of the manufacture or sale of oleo in Canada—

That is the opinion they express, for what it may be worth. The letter goes on:

[Mr. Glass.]

—but if it is the intention of Parliament to legalize the manufacture and sale of oleo in Canada after September 1st next, then I beg to ask in the name of this Council that the conditions set out in the above quoted resolution be made applicable.

The minister, no doubt, has a copy of this letter, and I hope, when he is speaking further on this legislation, he will be able to tell us whether there is any reasonable, consistent objection to the request or demand, as it may be, contained in this letter of the National Dairymen's Council. If that suits this representative body of dairymen in this country, surely it should be satisfactory to members of this House, because no matter what may be the wishes of individual farmers, that is the opinion of a great national body representing the dairy industry from the Atlantic to the Pacific. They set forth in their letter what they want, and it will be far better for the minister to frame legislation to meet the conditions set forth by them and to settle this thing once for all. Moreover, the Minister of Finance (Sir Henry Drayton), before he brings down his Revenue Bill for the third reading, should have it definitely settled that butter which is produced in this country is not going to have a duty imposed against it when exported to the United States while oleomargarine is allowed to come into Canada free. There is nothing right, consistent, logical or reasonable in such a situation as that, and the Government cannot justify it. They will get over the difficulty, if the Minister of Agriculture and the Minister of Finance will come together on this subject and definitely decide that they are going to remedy this injustice. As the hon. member for Shelburne and Queen's said earlier in the evening, there is no objection to that being done, and the request cannot reasonably be refused. The whole trouble can be avoided and definitely settled by dealing with the matter along the lines that I have suggested.

Mr. W. D. EULER (North Waterloo): Mr. Speaker, I rise chiefly to say that I regret very much that the Minister of Agriculture (Mr. Tolmie) has decided to modify his Bill. I think he should go on with it just as he has it framed now. I particularly disagree with him in the contention that one of the reasons why we should modify the Bill is in order that Parliament may prorogue at a fixed date. That principle has controlled this House entirely too much in past years. If it is in the interest of this country that the oleomargarine question, as well as many

other questions, should be settled definitely once for all, I do not think that the Government, with or without consent of the Opposition, should fix in advance a definite date when Parliament should prorogue. The House should rise only when its business has been properly completed, without regard to the personal desires of any one.

Regarding the question of oleomargarine, I should like to say a few words from the point of view of the consumer. There can be only two legitimate reasons why this Bill should not be accepted. One is that oleo in itself is unhealthful and unfit for use, and the second is that it is sold in such a manner as to deceive the public. I do not believe either of these conditions applies in this case. It has been pretty well established—it is admitted, I think, on all hands—that oelo is quite healthful and fit for consumption, and in the second place, it is the law, that all oleomargarine must be sold with the imprint of the commodity upon the wrapper.

I have no fault to find with the suggestion that has been made by the hon. member for Glengarry and Stormont (Mr. Kennedy) and others that the package itself should bear the name and, perhaps, the proportion of the ingredients that enter into the manufacture of oleomargarine. That is not an unfair provision. But if the article in itself is unobjectionable; if as the hon. member for Shelburne and Queen's (Mr. Fielding) has said, it is a proper article of commerce, I do not see that this House has any right whatever to interfere with the choice of the individual with regard to its purchase. If a man wants to eat a tallow candle, he has a perfect right to do so, provided it will not do him an injury. I remember, in my youthful days when butter was occasionally so scarce and expensive that people spread lard upon their bread, and it is quite within their private right to do that if they so desire. There is entirely too much interference with personal liberty at present, and I have no particular commodity in mind when I say that. If the housewife desires to use oleomargarine, that is her right. We are told that butter is so cheap now that it makes little difference whether we permit the importation and manufacture of oleomargarine; people will buy butter in any event. In that case, then no harm is done to the producer of butter. But we have no guarantee whatever that in six months from now butter may not be at a very high price, and this question may become an important one again. We have to-day in our cities a great deal of unemployment. It is much more serious than it was during the war, and men have much less money with which to buy the necessaries of life than they had a year or two years or even three years ago. You can imagine a man in one of the larger or smaller cities who works, perhaps, three days a week. He has to make the little bit of money he earns reach just as far as he possibly can. He goes into a store and asks for oleomargarine. He knows what he is doing; he knows what he wants; he is satisfied to get oleomargarine because he can buy it a little cheaper than butter, and he tells the storekeeper that he wants oleomargarine. Who has the right to say to him that he shall not be allowed to buy oleomargarine because somebody wants to force him to buy butter? That position is absolutely unreasonable and untenable. It is just as unjustifiable as, for example, a case of this kind. We will say a woman with her little children goes into a store. The only kind of stockings that she can afford to buy for the little ones is cotton stockings. She would prefer to have them in wool or silk, but she has not enough money to pay for them. But the merchant says to her: "I am not going to sell you cotton stockings because to do so would hurt the wool or silk stocking business."

During the war the price of meat in Ontario was extremely high and it is so still, as a matter of fact. At that time the Government of Ontario stepped in and brought fish from James bay and sold it to the people at from 10 to 15 cents a pound. That was a great relief to the people in the cities and towns of Ontario. It would have been just as reasonable in that case for the stock-raisers to have made a complaint and demand that the people should not be allowed to consume fish because that hurt the business of the sale of meat and the raising of cattle. Or, we will say, some genius invents a practical method of heating our houses very cheaply with electrical current and the men who own coal mines interfere and say: "You must not be allowed to do that because it will injure our business of producing and selling coal." These instances may appear far-fetched, but I contend that they are absolutely on all fours with the contention to prohibit the importation or manufacture of oleomargarine. I would raise no objection if it were thought well to place some restrictions upon the importation of oleomar-

garine. I can see some reason in that; but I do not see what possible excuse there can be for prohibiting the manufacture of it in this country and the sale of it to our people if they want to buy it, provided always that the article is fit for use, is perfectly healthful and is not put up in such a way as to deceive the public. I am going to support the Bill, but I would again suggest to the minister that he do not limit its operation, but go right ahead and remove once and for all the restrictions on the manufacture, at least, of oleomargarine in this country.

Mr. DONALD SUTHERLAND (South Oxford): I have listened with a good deal of interest to the arguments advanced in connection with the Bill now before the House. I look at it possibly from a different angle from most of the speakers who have taken part in this debate. The last speaker (Mr. Euler) rather scouted the idea of the manufacture of oleomargarine being any interference with legitimate business, and pleaded for greater freedom in its manufacture. It is a remarkable thing that after over three years of experience with this commodity, the manufacture and importation of which has been provided for by legislation extended from year to year, with the assurance that the license would terminate when butter had reached a reasonable price, we have not yet had any explanation from those who ought to be in a position to know as to what really constitutes what is sold as oleomargarine in this country. We have in the Government service a large staff of officials who are supposed to be watching the manufacture of this article. Yet we have never had, to my knowledge, at least, any statement from the department as to just what constitutes oleomargarine. I quite agree with the statement that has been made that the consumer is entitled to know what he is paying for. He does not know that at the present time when he is buying oleomargarine. I must take exception to the statement that has been made by the hon. member for Shelburne and Queen's (Mr. Fielding), who said there could be no question of adulteration in connection with this commodity. My understanding of adulteration is that it is to falsify, by the admixture of baser ingredients of a lower value, and that is the very thing that is taking place in connection with the manufacture of oleomargarine, because to the butter which it contains are added these other ingredients. We had before the Committee on Agriculture a few weeks ago a Bil to permit the adulteration of maple products. That Bill was entertained by hardly one member of the committee, if I remember rightly. I think the Bill now before us might very well have been referred to that committee, but it has come upon us so suddenly, I suppose—it has only adorned the Order Paper since March 4—that we have not had time to think out the proper course to pursue.

Milk fat which enters into the manufacture of oleomargarine differs from other fats in that it contains certain life-giving substances that are essential to promote the growth of the young. Science so far has not yet been able to discover any other source from which the equivalent milk fat can be derived. Every one recognizes its value, and there are certain people who by reason of the fact that oleomargarine contains milk fat want to enter upon its manufacture, and mix with it baser ingredients purely with a view to commercial gain. That is exactly what is being done with oleomargarine, and I do not think it is fair. I do not think the Government are justified in again coming before the House with this measure without giving us some idea of what enters into the manufacture of oleomargarine in this country.

I have not opposed the importation or manufacture of oleomargarine. I have been consistent in that respect, and I hope I shall continue to be so. I have a very distinct recollection of a general election that was held in 1878. The arguments which were then advanced made a profound impression on my mind, and I remember many of them to this day. I thought when I read the speech from the Throne at this present session those who were engaged in the manufacture of dairy products were going to be protected as other people were to be protected. I think they are entitled to protection. In 1911, when the reciprocity question was before the people of this country, I had in my mind the arguments that were advanced thirty years ago, and the position the Canadian people were placed in when the reciprocity pact with the United States was abrogated by that country in 1866. We then had to develop other channels of trade. I believe that if we had entered into an arrangement with the people of the United States in 1911, it would not have had one particle of influence upon their putting into effect the tariff arrangement they have recently

adopted, whereby a duty of six cents a pound is placed on our butter going into that country.

It is stated that oleomargarine is being manufactured in other countries, and that we are the only country in the world that has restrictions on its manufacture. That statement has not been substantiated. It is merely a bald statement, and I take exception to any such statement as that. There are safeguards provided in nearly every other country where oleomargarine is manufactured. I do not know of any other country in which the same pains were taken as in Canada to see that the manufacturers of this article were given the great privileges they were given under the Order in Council of 1917. Under that Order in Council the manufacturers have the right to get a license from the Government to mix whatever they see fit with butter, and they are given the exclusive right to do these things, because it is specifically mentioned that no factory where butter is being manufactured will be permitted to do anything of the kind. My hon. friend from North Waterloo (Mr. Euler) would surely not consider that the freedom for which he was contending. Our dairymen, who are engaged in the manufacture of a legitimate article of food, which has a standing and reputation all over the world, are debarred from mixing anything with butter, and particularly anything that goes into the manufacture of oleomargarine. But the Government say to the manufacturers of oleomargarine: We will give you a license to manufacture this stuff, and you can put in practically anything you see fit.

I wish to refer to a statement that has been sent out, and which doubtless every hon. gentleman has received. It is of the same character as other statements that have been issued for years by the manufacturers of this article, and it is absolutely false and misleading. Within the covers of the four sheets in which it is contained there is very little truth to be found. It says, in words that have been quoted here to-night, that oleomargarine is a product that is used to-day in practically every civilized country of the world, the gross per capita consumption being actually in the most important dairy countries. It states that Denmark in 1916 used fourty-four pounds per head of the population, and so forth, and goes on to say that 70 to 75 per cent of the ingredients of this article are obtained from the livestock products of the Canadian farms. It also refers to what has been said with regard to the value of the products which go into oleomargarine. It informs us that oleomargarine is made of pure, highly refined beef and pork fats, creamery butter and fresh milk. As a matter of fact, this fresh milk is fresh skimmed milk, and that was made quite clear by the general manager of the largest company manufacturing this article in Canada. They are permitted to incorporate about 14 per cent of skimmed milk, and to add a culture and other ingredients, all of which are mixed together and worked up in the churns in the factories, in order that the article may appear to be really a dairy product. This statement says that the justice of the manufacturers' request for permanent legislation permitting the production of oleomargarine lies in the simple fact that there are large quantities of animal fats produced in Canada which, in justice to the producers of beef cattle, and the manufacturers of livestock products, should be made up into the most palatable and valuable form possible. A few days ago, when we were putting through the Budget resolutions, which exempted oleomargarine and these ingredients from the sales tax, I pointed out that enormous quantities of this stuff were being brought into the country. I have a statement from the Customs Department, for eleven months of the past year, which shows that there were imported from the United States during that period, the following products: lard compound, 27,647 pounds; oleo oil,—this is the Canadian beef fat which they claim is to enter into this product—1,714,562 pounds; cotton seed oil, 889,208 pounds; cocoanut oil, 701,995 pounds; besides peanut oil, corn oil, nucoline, stearine, salt, and beef fats, or a total of 3,680,350 pounds. We put through legislation two years ago by which we refunded to these manufacturers 99 per cent of the duty collected on these ingredients that go into the manufacture of this article of food, and for the eleven months I have mentioned that total duty amounted to $138,367, which was turned back to those manufacturers who bought so largely in the United States.

Now, I do not intend to take up any more time of the House; I can make my position clear in a very few minutes. I want to point out, however, that, according to a statement which was submitted in the United States Congress, France does not even permit the retailer to dispose of butter and oleomargarine, and to-day, I will venture to say, a very large

proportion of this article of food is being sold to and consumed by people in Canada who are under the impression that they are using butter. When you find it difficult to keep butter on the knife, particularly in cold weather, you can readily understand that it has not the consistency of real butter, but is really oleomargarine. When a manufacturer is supposed to turn out a good article, and is surrounded with regulations to ensure the purity of that article, being prohibited from mixing that article with something else, I do not see why some one else should be given a license to purchase this superior article, mix it with an inferior product and place it on the market without anything to show what it really is. It is contended that the wrapper must indicate the nature of the article, and it is also said the word "oleo" has to be put on the covering. As a matter of fact, however, immense quantities of this stuff are bought up and placed in many boarding houses in the country, and there is good reason for the belief that it is coloured and worked over and placed on the tables of the country as butter. I object to the unfairnes that is practised in connection with this article.

There is no article of food, or, for that matter, anything else, in connection with which there has been so much deception and fraud as has been practised in the United States, or in any other country where the manufacture of oleomargarine is permitted. I believe that in the United States, apart from the export business, the manufacturers are not permitted to put up oleomargarine in containers of less than ten pounds; and in Germany, I understand, no dairy produce is permitted to be incorporated in it. Many manufacturers of margarine in this country are also opposed to the mixture of butter with this article, and I think that if it is to be sold at all it should sell on its own merits, and on its merits alone. If that is done you will get a better article of food than you are getting to-day, because there are many articles used now in the manufacture of oleomargarine that are made palatable simply by being churned in milk, to which culture has been added, giving it a wholly artificial flavour. Now, we have a Health Department in this country, and analysts without number in connection with our departments of Government. Why have they not analyzed this article and given us a statement which might guide us to-day in dealing with this measure, which seeks to make permanent

the manufacture of this oleomargarine? Would not that be reasonable? Is it not something which the people are entitled to know? If this is such a splendid article of food, why is it that there is no one to-day who is in a position to tell us what really goes into the manufacture of this article. Why should it be left to me to bring here a statement from the Customs Department showing what actually transpired in this country during the past year? The Minister of Finance will advise the people of this country to buy home-made articles, and to see that money is not sent to the United States; and yet we refund to manufacturers, who buy these ingredients in the United States, the duty that was collected on this article of food.

I have been a consistent protectionist for many years, and I am a consistent protectionist to-day, but I may say here and now that if the business in which I am engaged, and others also, is going to be singled out and not protected, if it is going to be subjected to the most unfair and contemptible process of competition, it is possible for the mind of man to conceive of, I am not going to follow any such policy as that. In view particularly of conditions at the present time, and of the strenuous years that are confronting us, I say it is absolutely necessary that we should have a protective policy in this country. The hon. member for Red Deer (Mr. Clark) may quote Asquith, and other men in the United Kingdom as to what we should have under freedom of trade. But we have not freedom of trade, nor are we in a position to demand freedom of trade no matter how much we would like to have it. We must face conditions as they are, and with the great country to the south raising a tariff barrier against us such as they are doing, it is absolutely essential that the farmers of Canada should have the same degree of protection that the manufacturers have had for years and which they are entitled to have now

I do not believe that we can have a well-balanced community unless we adopt the policy of give and take. I believe that our prosperity in this country depends more on a prosperous farming community than it does on anything else. We have induced 25,000 of our returned men to go upon the land, and they have obtained loans from the Government in order to carry on. I have pointed out in the past that I was afraid many of these men would curse the day they ever accepted a loan from the Government and went on the land, and when I said that I believed I knew what I was

talking about. Are you going to put those men in the position to-day that many engaged in the dairy business are in? Are you going to put them in the position of producing an article at less than cost? The hon. member for Glengarry (Mr. Kennedy) pointed out that the price of butter, or of dairy products, in this country cannot be fixed by the Canadian people at the cost of production plus a reasonable profit—it has to be fixed on the markets of the world. The argument of the manufacturers of implements, of clothing, of boots and shoes, or anything else in this country is that they cannot go on manufacturing unless they do so at a profit, and that it is important and essential that they should be able to do so. They point to the fact that they have men engaged in these industries, that they provide a home market for our produce, and that in that way great benefit results to the community. I quite agree with that argument. At the same time, however, I want to point out that the farmer cannot go on manufacturing butter or cheese, or anything of that kind, unless he does so at a profit. Hon. gentlemen understand the movement that has been going on for a number of years past from the farm into the town and the city. To such a degree has this been going on that you will find, even this year, that almost all the men who are walking the streets of our towns and cities are out of employment. Never, during all the years I have been engaged in farming, have I found it so difficult to get farm help as during the present year. Never, during all my experience, have I found farm help as scarce as it is at the present time, and I want to say this: You will find if the present prices continue, if the deflation—which has come in advance as far as the products of the farmer are concerned; deflation has reached the farmer before any one else—if deflation continues you are going to have conditions in regard to which I can only say, "God help this country."

I intend to move when we go into committee on this Bill that no dairy produce shall be used in the manufacture of oleomargarine. I am in favour of allowing the importation and manufacture of oleomargarine in Canada, but I would only permit it to enter this country subject to a duty as other articles are subject, and I think that is the proper course to take. As to extending this privilege for the year, we were told in 1917 after it had been adopted by Order in Council and then submitted to Parliament, that it was a temporary measure introduced by the Government in order to overcomme the difficulty the poor people had in getting butter or a "spread" for their bread, and that when the period of deflation had arrived we would go back to the old condition of affairs. Now the proposition is to continue the privilege for a further period. When the price of butter on the wholesale markets of this country has reached within a fraction of 25 cents a pound we are asked to continue it for another year. Just one year more! Yes and when that year has expired it will be a case of granting another year or "You have had it so long now you might just as well make it permanent". Those are the arguments that have been put up to us and which we have had to meet in the past. Who is getting all this rebate in connection with this commodity? I notice that one company who had a license from the Government to manufacture this article has received during the past two years $171,-906 of rebate in connection with the articles which they were importing and putting into the manufacture of this stuff. What a howl would be raised by some hon. gentlemen sitting in this House if some article they were manufacturing was taken and the label removed from it and some parts of it were used in the manufacture of another article? They would not be so submissive as they are to-day. I do not like it, and it is not a pleasure for me to speak as I am doing in connection with this matter, but I am going to be consistent even though the Government are not consistent upon this subject. I believe in protection. I believe in protecting particularly the interest of the farmers of Canada, as well as those who are engaged in other industries. I belive it is essential for the prosperity of this country that that should be done; and I am of opinion that if we do that, if we pull together as we should and adopt a policy of give and take—a little here and a little there—we will soon overcome our difficulties. But if we are going to send our money out of the country and buy something cheap where we can get it—just as there was laid on the markets of the city of Toronto during the Spring butter from Argentina, badly mottled butter, which was churned in a factory in that city and placed on the markets of Canada—why, it is an altogether different matter. A process such as that is contrary to the Dairy Standards Act. There is a clause in that Act which prevents anything of the kind being done but our inspectors did not carry out the law. The fact that this was done was published in

all the newspapers at the time. Where was the staff of inspectors that are paid to superintend the manufacture of oleomargarine? It is one thing to appoint inspectors and apparently another thing to enforce the regulation. There is no reason why we cannot have an analysis made by the Health Department that is supposed to be regulating the food products of this country. Where have they been that they have not submitted a statement to us in connection with this matter? We should prohibit the incorporation of dairy produce in this stuff. Then I assure you you will get a better article of food than you are getting to-day. Because oleomargarine can be manufactured and placed on the market much cheaper than is the case to-day in this country, and it will be a more wholesome food, if not so palatable, than the article which they are now producing. It is by reason of the palatability of the ingredients that this article is made attractive.

Do you imagine for a moment it is from philanthropic motives that large manufacturers such as the Harris Abattoir people and the Swift Canadian Company, who are the only two manufacturers in this country so far, want the privilege of manufacturing this product? Why beef tallow is worth about three cents a pound at the present time, and skim-milk is worth possibly twenty-five cents a hundred pounds or a quarter of a cent a pound. They are permitted to incorporate as high as 14 per cent of skim-milk in this product and place it on the market. With tallow fixed up by the stearine being extracted from it they are enabled to place this cheap commodity on the market. You may say, "Oh, it does not cost us within ten, fifteen or twenty cents of the price of butter, and consequently we will purchase it." But you have not the faintest idea as to the value of the article you are purchasing. Its composition ought to be stamped on the label, as is the case when we are purchasing fertilizers or foodstuffs, for there is infinitely greater reason why the nature and proportion of the ingredients of oleomargarine should be disclosed on the package. I would go further and put a stop to the deception which is practiced in the colouring of this article. Mr. McLean, general manager of the Harris Abattoir Company, made the statement on oath before a committee of this House a short time ago that the manufacturers overcome the difficulty of the colour by buying up large quantities of June butter—which, as is well known, has a very high colour—and by adding it to the other ingredients a colour is imparted to the article which makes it resemble butter and so deceive the people. The manufacturers of oleomargarine are very clever in that particular as they are in many other respects.

I might refer to certain other practices in the manufacture of this article, but I will not do so for the present. I think the Government would be well advised to deal with the matter now and embody the conditions to which I have alluded instead of staving it off for a few months longer.

Mr. H. A. FORTIER (Labelle): (Translation.) Mr. Speaker, I am opposed to this measure to extend for another year the sale of oleomargarine, and I wish, before the House, to support my attitude by word and vote. Such a legislation is prejudicial to the agricultural interests of the country. It is also, Mr. Speaker, an insult to the good taste of the citizens of this country. We were told, when this legislation was introduced some years ago, that it would be of a temporary character only, that it was intended for war times and no longer, and that as soon as normal conditions would return, the Government would deem it their duty to recall it.

In fact, when this legislation was introduced, the price of butter was very high and it was feared that it would be impossible, at a later time, to take advantage of this commodity which was greatly needed. That is why the Government of the time, following the example set by the governments of other countries, thought it advisable to bring up this legislation which was decidedly of a temporary nature. Now that normal conditions have returned, that the war is over, we would do well to abolish it. Canada is known amongst other countries as an essentially agricultural country and it would certainly be prejudicial to her good reputation, and her agricultural interests, to maintain such legislation. What will other countries think if Canada is not able to produce enough butter for home consumption, if she is obliged to resort to such a substitute, such a subterfuge? Should we have recourse to such an expedient, were we to maintain such a substitute, instead of the pure food, we would certainly be giving Canada a poor certificate in the eyes of other nations.

Those who have spoken before me and have supported this Bill, have been the mainstays of this Bill, have thought proper to support their request for such legislation by so-called petitions

which have been signed in certain parts of the country and also by women's associations. I believe, Mr. Speaker, that these petitions were prepared some time ago; when the price of butter was still very high, almost as high as those we had to pay of late years. One need not go back very far, indeed, to find that prices were comparatively high. A month ago, two months ago, at the very time when such petitions might possibly have been signed, the price of butter was very high. But now that this price has been greatly reduced—the price is really very low—legislation to replace butter by a substitute owing to the high cost of the former cannot be justified.

Now, Mr. Speaker, I must say that I am in favour of pure food when there is a question of such a commodity as butter, and I object to all substitutes. We may be rather inclined to-day to replace the pure food by the substitute that is unfortunately too often introduced on the market. Substitutes to-day have been manufactured even for olive oil, and if we continue to allow substitutes to replace necessary food, first-class commodity, like butter, we are opening the door to absolutely harmful legislation.

I do not intend to speak at length and to repeat the excellent reasons which have already been advanced in opposition to this Bill by those who have preceded me. I have always declared myself in favour of agricultural interests; I have always done so in this House and will so continue when occasion arises to stand in defence of these interests. If there exists an industry which has progressed with great difficulty in this country, it is the dairy industry. I remember, years ago, the campaign which was undertaken throughout the provinces so as to establish this dairy industry which has become the principal agricultural industry and has been the main cause of the prosperity of our farmers. Many an expenditure has been made in the province of Quebec to promote this industry; many a grant has been given by the different governments, federal as well as provincial; many an endeavour has been made by our statesmen, so as to impress on the minds of the people the desire to improve the dairy industry. Now that we have obtained this result, that this industry has been largely developed, I think we would give it its death blow were we to say: The butter which you produce, which is so fresh and white, resembling somewhat our clover blossoms and which has the fragrance of our fields, this butter, we do away with. Why? Because we prefer a substitute which is nameless, this kind of oleomargarine which should never be seen on our tables.

Mr. Speaker, I stand in defence of our agricultural interest and in so doing I am protecting all classes of society. I do not think any one would rise in this House on behalf of the working class to defend oleomargarine. On the table of the poor, as well as on the table of the rich, good butter is demanded to-day, such butter as can be produced in the country, at a reasonable price. It is said: The price is very low, at present, but it might be raised later. That is possible. I do not know what the fluctuations of the market are, but the price of butter is now the same as in prewar times, and future fluctuations will not be such that the poor labourer cannot get good butter. Therefore I am in favour of good butter and shall certainly vote against the hon. minister's Bill.

Mr. J. J. DENIS (Joliette): Mr. Speaker, I must offer my congratulations to my hon. friend who has just preceded me (Mr. Fortier), and also to my hon. friend from South Oxford (Mr. Sutherland) who has pleaded so eloquently the cause of good butter and the rights of the farmers. It does not appear to me, Sir, that the Government are very anxious to see this measure pass, but that they are rather acting upon the demands made by some interests—quite legitimate, doubtless—and in the meantime are willing to leave this question absolutely free to all members without giving any recommendation for or against. When the resolution which preceded this Bill was introduced last Saturday it was my intention to oppose it, but the Prime Minister said then that the adoption of the resolution would in no way be interpreted as general assent to the measure or to the principle embodied in it. I therefore take this opportunity to express as strongly as I can my opposition to this Bill.

I have tried to inform myself as to the facts and circumstances in connection with the sale of oleomargarine in Canada during the last few years. I may be mistaken in my understanding of the situation—if so, I wish to be corrected. But my information is that up to the year 1917 the manufacture and sale of oleomargarine in Canada had been prohibited. I take this first fact as an argument in favour of the contention which I now make. There must have been good reasons for prohibiting the manufac-

ture and sale of oleomargarine prior to 1917, and I maintain that those reasons still exist. This product was allowed to be placed upon the market because of the exceptional circumstances which then prevailed. The Government, making use of the powers vested in them by the War Measures Act, passed an Order in Council in 1917 to allow the manufacture and sale of oleomargarine in Canada. At that time and on several occasions since it has been argued by the Government and by members of the House that this Order in Council was passed as a war measure in order to place at the disposal of the people a certain article of food at a reduced price. We all know that at that time the consumption of butter, sugar and other articles of food had been limited, and it was therefore thought proper to permit the use of oleomargarine. For my part, I thought the course then taken was a wise one. But there came a time when Orders in Council were no longer of avail and in order to permit the manufacture and sale of oleomargarine the Government had to pass a Bill.

So far as I am aware, the first Bill ever passed in this country to allow the manufacture and sale of oleomargarine was the Bill which became chapter 24 of the statutes of 1919, second session. This enactment is entitled "An Act to Permit the Temporary Importation, Manufacture and Sale of Oleomargarine in Canada." Now, I submit that the title of the Bill in itself indicates the extent to which it was supposed to go. I insist on that word "temporary," because it was made clear to the House at the time that the measure was only a temporary one; that there was never any question of passing a law of a permanent character to allow the importation, manufacture and sale of oleomargarine. But it was argued when that Bill was passed that a year or so after the war the price of foodstuffs had largely increased and that an enactment of this kind, temporary in its character, would be of benefit to the country. I am ready to say, Sir, that even at that time I would not have strenuously opposed the Bill, although I was in principle always against the manufacture and sale of oleomargarine in this country. So much for 1919. Then last year, 1920, this legislation was supplemented by another Bill extending until the month of October, 1921, the period during which the manufacture and sale of this product might be carried on in Canada, and we are now considering a Bill to make a further extension of another year.

10 p.m.

The question is: Is it necessary or expedient that we should at this time allow the manufacture and sale of oleomargarine for a year from next October? In order to answer that question, one must consider the actual condition of the dairy industry at the present time. Last year, in the month of May, butter was selling at 55 cents wholesale; in May of this year butter has been sold wholesale at as low as 26½ cents—the price to-day wholesale is 28 cents. Therefore, Sir, the best quality of creamery butter is selling to-day at exactly 50 per cent less than the price which prevailed a year ago. I may say also that a year ago oleomargarine was selling at about 35 or 40 cents a pound. Now, if twelve months ago such an inferior and doubtful product as oleomargarine was selling at 35 or 40 cents a pound, I say that this year the public have the means to pay 28, 30 or 32 cents a pound, whatever the retail price may be, for good butter. The reasons which prompted the action of the Government in 1917, 1919 and 1920 to permit the manufacture and sale of this product do not exist to-day. The main reason was the high cost of living, but to-day the price of butter does not contribute to the high cost of living. We must, therefore, give to butter the same standing that it had before this war measure was passed in 1917; in fact, so far as that product is concerned we are in the same position to-day that we were in prior to the war.

The prohibition of oleomargarine is for the benefit of both the producer and the consumer. To permit the manufacture and importation of it is unjust alike to the farmer and to the consumer, or poor man. It is unjust to the farmer because this article of food, which is an inferior article, is sold in direct competition with butter, the product of the farmer. It is unjust to the consumer or poor man, because oleomargarine is a product of doubtful origin; it is a product of which we have no complete analysis; it is a product, the value of which as food, and particularly as a healthful food, is very doubtful. At the present time, would the farmers of the United States allow Canadian manufacturers to ship oleomargarine into that country to be sold in competition with butter? We know what the Americans are doing at the present time to encourage the farming community in that country. To-day the greater part of the oleomar-

garine consumed in Canada comes from the United States, so that what I have said is one more reason why that product should not be allowed to enter Canada. Therefore, the importation and manufacture of oleomargarine should be prohibited for the sake of the farmer and also for the sake of the consumer or poor man, because it is more advantageous for the consumer or poor man to buy butter at the price at which it can be bought to-day than to use the secondary or inferior product which is called oleomargarine.

This House has been detained long enough upon this subject, and it is not my intention to speak further upon this point. I might have other considerations to offer, but I do not think it is worth while to offer them, because hon. members already have their minds pretty well made up in regard to this matter. The only thing which we have to do is to endeavour to dispose of the Bill in such a way that it will be set aside and the manufacture and sale of this article will be forever prohibited in this country after the month of October next. Consequently, in order to bring the discussion on this subject to a definite and practical point, I move, seconded by the hon. member for Charlevoix-Montmorency (Mr. Casgrain), to strike out the word "now" in the main motion and to add at the end of the motion the words "this day six months."

Mr. R. J. MANION (Fort William and Rainy River): Mr. Speaker, I should like to take up two or three minutes of the time of the House in speaking to this question. When this subject originally came up, I think, in 1918, I had the pleasure of supporting the then minister in bringing in the resolution which is practically the same as the one now before the House. I should like to say at the outset that if I at all believed that permission to bring in or manufacture oleomargarine would do any real injury to the farming or dairy industry of this country, I should feel inclined to oppose this legislation on general principles, because I think every member in this House will admit that our farming industry is necessarily the backbone of the country. But I do not believe the importation or manufacture of oleomargarine will do that. I well remember, in my various visits to England, that oleomargarine was used to a great extent in that country. I also vividly remember that, during service in the line, the soldiers of all the Allies that I had anything to do with, were using oleomargarine, and so far as I know they found it as useful and as palatable to them in the form manufactured in England as butter.

The question of food value has been taken up by various speakers on this subject, and while I will not dispute for a moment the statements that oleomargarine has not so good a food value as butter, at the same time I submit, so little of either of those materials is used in the dietary of the ordinary man, woman or child, that a slight difference in the food value is not of much importance. I agree with those who state that this material should be distinctly marked as oleomargarine; that by no stretch of our laws should anybody be permitted to sell oleomargarine as butter, not because I think that this article might necessarily do any harm to the purchaser, but because it would be a form of deception which should not be permitted to be practised by any manufacturer or dealer in this country.

The main reason why I think, particularly at the present time, the manufacture or importation of oleomargarine will do no harm to the dairy industry is because of the prevailing price of butter. I do not believe any Canadian will buy oleomargarine when he can buy butter in the neighbourhood of 30 or 35 cents a pound. Therefore, I submit that no harm will be done to the dairy industry, and I believe other speakers have given to the House figures showing that since the importation and manufacture of oleomargarine has been allowed in this country, the manufacture of butter has increased. The main thing which I wish to point out is that oleomargarine is sold very widely in the dairy shops of England, and people in that country on many occasions cannot tell oleomargarine from butter. I had the experience of sitting many times in hotels and restaurants in which we disputed whether we were using oleomargarine or butter, and what was considered a good food over there—and no one disputed the fact that it was a good food—should not do any harm if used by the people of this country.

I believe that the principle is right that you cannot prevent the manufacture of a food unless that food can be shown to be injurious to the people who might use it. In these few words, I wish to put myself on record. My constituency is not a city one entirely; I have in it dairies which from their standpoint have opposed the manufacture and importation of oleomar-

garine and I have no quarrel with them. But at the same time, looking at the matter from the broader standpoint of the good of the people in general, I think the minister is quite correct in bringing in this Bill. I also wish to support him in, for the time being, limiting it to a year. The reason why he modified it to a certain extent and limited it to a year was in order to get, so far as he could, what was best suited to the largest group in this House, and my opinion is that our laws should be introduced in such a way as to meet the view of the great majority who believe that those laws are in the best interest of the country.

Mr. S. W. JACOBS (George Etienne Cartier): Since I have had the honour of occupying a seat in this House, for the last three or four years we have had an annual oleomargarine day. Yesterday we had Empire Day. The difference between Empire Day and oleomargarine day is that on Empire Day we have a holiday and the House is not sitting, but on oleomargarine day we have to sit and listen to such a discussion as has taken place this afternoon and evening. It seems to me it is somewhat beneath the dignity of Parliament for hon. members to be discussing this question annually. We have an annual discussion—we have not reached it yet this year, and I am beginning to hope we may not—on navigation freight rates by the hon. member for East Lambton (Mr. Armstrong). For years we have had an annual flax day, and now we have our annual oleomargarine day. Seeing the House is shortly to prorogue we were hoping we might escape this, but perhaps for the sins we have committed during the year we are obliged to do this day's penance. I have looked up the definition of the word oleomargarine and I find this:

> Consists of a mixture of oleo oil, with neutral lard, frequently with the addition of vegetable oil, usually cottonseed oil, the whole being churned with milk, salted, and worked like butter. Sometimes a small amount of butter is also added.

It seems to me that as lard forms one of the ingredients of oleomargarine I should be the only person in this House to object to it, but I am broad enough to be willing to discuss this thing from the purely Christian standpoint, if I may use the expression. If I want to use oleomargarine, and am willing to put my soul in danger by the use of it, what business is that of anybody else? I have in my division quite a large number of Christian voters, who perhaps prefer oleomargarine to butter. Some people have such a perverted taste and palate that they may like oleomargarine, but is there any person here who will tell me that if my palate is perverted to that extent, I must not use it? We have introduced in this country within recent years laws prohibiting the importation, sale and manufacture of liquor—which laws are in vogue—in every province except the good old province of Quebec. We protested against such a law, and we in Quebec have a law of our own, which is satisfactory not only to us, but to all the visitors from neighbouring provinces. Now this Parliament is beginning to encroach on the food of the people. Where is this going to lead us? The hon. member for South Oxford (Mr. Sutherland) made a long harangue this evening and declared that it was not good for anybody to eat oleomargarine. Other hon. gentlemen coming from districts where there is a large farming community also told us that oleomargarine is very deleterious, that it is dangerous, that it is poison, and that we ought to eat butter. I ask myself this question: Would the hon. member for South Oxford or other hon. members who have spoken in this debate against the use of oleomargarine have the same views if they represented city divisions? I wonder if they would. Personally, I consider that these proposed restrictions are an encroachment on the liberty of the citizen. We have the right to eat whatever we want, and if it suits us to use oleomargarine, we will use it. I think it is absurd for hon. gentlemen who talk here every day about freedom and liberty and freer trade and fairer trade to assert here to-night that that is all right in a thereotical way, but when it comes down—

Mr. SUTHERLAND: Would my hon. friend favour the dairymen being permitted to mix these commodities with the butter, and to place the product on the market?

Mr. JACOBS: Certainly, if the label clearly indicated what the mixture was. If I want to use a mixture of that kind, why should I not be allowed to do so? One of the members for Toronto, speaking on this question a couple of years ago, told us that oleomargarine was quite as wholesome as butter, providing the ingredients which comprise the article were wholesome when they went into its manufacture. I understand that the hon. gen-

tleman was city Health Officer for Toronto, and that is the information we have on his unimpeachable authority. There is nobody who would suggest for a moment that the ingredients of oleomargarine are deleterious. It is simply a question whether we are going to bar the importation of this article in order to send up the price of butter. Speaking for myself, I am against any such action. Butter is strong enough to stand on its own feet, and I refuse to have butter forced down my throat if I want to use oleomargarine.

Mr. G. W. ANDREWS (Central Winnipeg): Had it been my privilege to speak before you left the Chair at six o'clock, Mr. Speaker, I should then have been in a position to congratulate my hon. friend the Minister of Agriculture on being better late than never, but in view of his remarks since six o'clock I can only hope that it will be my privilege to congratulate the members of the House as a whole on passing the Bill as it was originally brought down.

I have listened with a great deal of sympathy to the remarks of hon. gentlemen who are opposed to the measure. For nearly seven years it was my job to milk cows week days and Sundays, and to sell the product in the form of butter, and I have no hesitation in saying that it was the toughest job that I have ever done in the way of trying to make an honest dollar. Butter, in proportion to the amount of labour put into it, is, I believe, and has been for years, the cheapest and the most valuable product that is sold in Canada, and I believe that if it were sold at double its present price it would still be the cheapest food product in Canada. When one compares a glass of milk at five or ten cents with a glass of this temperance stuff that is put up at the same money—why, there is no comparison. I have often thought that if milk was advertised in the same way these other products are, there would be a fortune in it for some one.

Having said that with regard to butter and milk, I want to say a word for oleomargarine, because it has been my privilege to eat quite a lot of it, and I have found it very palatable and wholesome. Like my hon. friend from Fort William and Rainy River (Mr. Manion) I have seen the time when Canadians sat around a table eating oleomargarine for a week, and there were no complaints that it was not butter they were eating. The point I really desire to make was made this afternoon by my hon. friend the member for Shelburne and Queen's (Mr. Fielding). It is this—and I can only emphasize it: If I have not the price to buy good butter I am mighty glad to buy good oleomargarine, and if I have the price to buy good butter I will never buy oleomargarine. That, I believe, is the view of the great majority of the constituents I have the honour to represent. I shall have great pleasure in supporting the Bill as it was originally brought down.

The hon. member for East Middlesex (Mr. Glass) asked the Government to take a definite stand on this matter and settle it once and for all. The hon. member for South Oxford (Mr. Sutherland) repeated that request. I also ask the minister to settle this matter once for all, but for different reasons. With the permission of the House I shall read a short extract from a letter I have received this month from one of my constituents:

> I was lead to expect the new Margarine Act was in course of preparation and would be put in force shortly. The local papers have given us no information on the subject, and my people are anxious to commence operations as soon as the new Act becomes operative.
>
> Will you be good enough to advise me when you expect the new Act will pass the House, so that I may advise my people?

That refers to the building of something like a $300,000 factory in Winnipeg. To-day, when we are so anxious to start building operations to bring down the cost of the commodities of life and to give employment to those who are out of work, I would ask hon. members, is this any time to postpone either of these desirable objects for a year?

Mr. P. R. Du TREMBLAY (Laurier-Outremont): The only objection I have to the legislation before the House is that it is not to be permanent. This food, which is the subject of discussion, is either good or bad; if it is bad, the consumption of it should be prohibited, and if it is good, then its sale should be permanent. I do not see why we should prevent the sale of this article which, I understand, is subjected to the inspection of an officer appointed by the Government. A large number of peop'e in the cities and towns, rich and poor alike, use oleomargarine. According to figures I have, margarine is sold to-day at between 18 and 20 cents, and butter at 35 cents; and when butter was sold at 60 cents, the price of margarine was 35 cents. This shows that there has always been a difference between the prices of these two articles of food a difference which is quite appreciable to the consumer. It is contended by some that people do not like

margarine. That is not so; on the contrary, it is becoming more and more popular, and it seems to me to be unjust that poor people who cannot afford butter should be denied the privilege of buying this commodity, which is certainly a desirable article. I do not think the Government has any right to limit its sale to a period of only one year. The very fact that they allow its sale at all is recognition that the food is good, and if oleomargarine has good food value—and I do not think there can be any doubt about this—it should not be kept out of the market. It was stated a few moments ago that most of the oleomargarine used in Canada is bought from the United States. That is probably due to the fact that in that country the sale of this article is permanent; but in Canada the business men dare not enter on any large scale into this enterprise, because the Government to protect a certain class, are now making it known that next year the importation and sale of margarine will be prohibited. I repeat that the only part of this legislation to which I object, and I object to it strongly, is that it is to be applicable for only one year. This food should be placed on the market in open competition with every other article.

Mr. FIELDING: My hon. friend is under the impression that this legislation is only for one year. The Bill, upon which we are voting, makes the importation and sale of oleomargarine permanent, but the minister has intimated that he may limit it to one year later on.

Mr. DuTREMBLAY: I am glad the member for Shelburne and Queen's (Mr. Fielding), has corrected me. I was under the impression from a remark made by some hon. member, that it was only for one year.

Mr. J. A. LEDUC (Westmount-St. Henry): I did not intend to speak on this question, but as I know something about butter and oleomargarine, perhaps it is my duty to place my views before the House. I represent a city constituency, and I think it is only right that, especially after having received letters from housewives from every part of the city of Montreal, I should ask the Government to pass some legislation permitting the sale of oleomargarine. For every hundred boxes of butter sold during the war, twenty-five boxes of oleomargarine were sold, and of that proportion I have not heard, so far, one complaint respecting the quality of margarine. This article is, and should be, subject to the same inspection as any other kind of food; the federal inspectors have a perfect right to inspect it. The fact that no complaint has so far been made in regard to the quantity that has been sold up to the present time, shows that it is in every respect a good article of food, and the Government should not prevent those who cannot afford butter from buying this cheaper food, which is perfectly wholesome. I know of many people who cannot pay 60 and 65 cents for butter, but who were only too anxious, when that article was selling at those prices, to buy margarine at 35 cents; and I myself have eaten margarine on the trains coming from Montreal to Ottawa, when we had to pay $1.50 for meals.

Mr. JACOBS: Is that the Canadian National?

Mr. LEDUC: The Grand Trunk and the Canadian National. Now, oleomargarine, if it is properly put up and has passed a strict inspection, is a perfectly palatable food and should be placed on the market for those who cannot afford to buy butter. It has been pointed out that while some people could not afford butter at 60 cents a pound, they are able to buy it at 30; and this week, it is true, we have been able to buy butter at 28 cents a pound wholesale. But that does not say that six months hence butter will not be sixty cents a pound again, as soon as exportation starts. When that happens, what will those people do who cannot afford butter, if we prohibit the sale of margarine? The member for Joliette (Mr. Denis) says that every one can afford 30 cents a pound for butter. That may be so; but consider the question of wages in connection with this. When men were earning $6 and $8 a day, butter at 60 cents a pound did not mean as much to them as butter at 30 cents a pound does now, when wages are so much lower than they were at that time. I hope the Bill will pass, because we must protect not only one class; we must consider the welfare of those who cannot make butter for themselves, or who cannot afford to pay the high prices of butter. The question is asked, why do not people buy butter in quantities now that it is cheap? Well, every one knows that in the cities to-day poor people cannot afford to buy, because they cannot keep more than one pound of butter at a time. So they buy a pound of oleomargarine every day just as they require it, because it is freshly manufactured and sold in a fresh state. Those people who, in former

years, were able to buy a tub of butter in the fall and were able to keep that butter during the whole winter cannot do so to-day. The modern dwellings of the great mass of city residents are so constructed that they have no place in which to store food products; in fact they are so short of accommodation that they frequently have to put articles under the bed. The dwellings and apartments of the toilers of to-day give no opportunity to buy food products ahead in any quantity, because they simply cannot be stored under conditions that will enable them to be kept without deteriorating. Butter and oleomargarine are articles which will quickly deteriorate unless they are kept at a proper temperature. So the mass of consumers find the better plan to buy these commodities by the pound as they need them each day. For the reasons I have given I am going to vote for this Bill.

Mr. FRANK S. CAHILL (Pontiac): I find myself in rather an awkward position in reference to this Bill. Being a Liberal, and in favour of freedom for commerce as well as freedom for the individual, I am compelled to vote for the measure. It is one of the first Bills brought in by this Government that I really feel like voting for. Now that an amendment has been moved to the measure I shall be placed in the position of having to vote for the Government. However, I have the satisfaction of voting for the first good Bill introduced by them and in opposition to some of my hon. friends on the other side. I wish to say that I represent a purely agricultural constituency and I do not believe that the people I represent would ask me to penalize those of the Canadian public who wish to use oleomargarine. If they do entertain such a view and it causes any of them to vote against me I shall have to take the consequence. With me it is not a matter of expediency, it is a case of doing what I believe to be a right thing for the country as a whole. I think the Minister of Agriculture showed bad judgment this evening when he announced that he would limit the operation of the Bill to one year. I think he should have had the courage to stand by the Bill in the form in which he presented it. True, there has been a certain amount of criticism from hon. gentlemen opposite, but from past experience the minister might have known that a Bill presented by the Government would carry. I think therefore the minister should have stood by it and seen that it passed the House. I shall have the compensating advantage in my course that I shall be voting against some of the worst Tories on the Government side.

Hon. RODOLPHE LEMIEUX (Gaspé and Maisonneuve): I have the happy privilege of representing an urban and a rural constituency, but it so happens that in both cases my electors consume perhaps as much oleomargarine as they do butter. As long as there is a good and really serious inspection of that commodity I do not see why the people should be prevented from using it. In these days of the high cost of living when there is even a few cents difference in the value of food products it is a matter of some importance. Although there has been of late a marked decrease in that cost, we still suffer from the high prices, and I believe that when such products as oleomargarine are properly inspected the people should not be prevented from using them if they choose to do so. I quite sympathize with my friends from the province of Quebec who have spoken this evening against the use of oleomargarine. It must be remembered that to-day Quebec is the banner province in dairy production. A year or so ago we secured the first prize at the Toronto Annual Exhibition, and even although last year the first prize went to the West it was discovered by the Minister of Agriculture in Quebec that the gentleman who had won the prize was a former student of the St. Hyacinthe Dairy School. From that point of view I quite sympathize with my hon. friends who uphold the exclusion of a product other than butter. We must not forget, however, that we must have some consideration for the masses of the people. I have always supported free food in this House, and under the present circumstances I feel that I would not be doing my duty toward the vast mass of the consumers of Canada if I did not give them the liberty of selecting the food of their choice, provided that food is adequately inspected.

Mr. THOMAS HAY (Selkirk): I wish to say that I am not opposed to the manufacture of oleomargarine in Canada, but I am opposed to the unfair competition to which it subjects dairymen of this country. The ingredients used in the manufacture of oleomargarine are allowed to enter the country free and, mixed with butter, to enter into competition with the Canadian butter makers, which I think is unfair. If the Bill passes in its present form I think

it will work a great injury to the dairy interests of Canada. In a very short period, if prices remain as low as they now are, the Canadian butter makers will be put out of business and then the manufacturers of oleomargarine will have a monopoly of the Canadian market. I think that would be the final result if the Bill were to pass as it is now framed. I would respectfully suggest to the Minister of Agriculture that a fairly heavy duty be placed on ingredients entering into the manufacture of oleomargarine. We have a duty against imports of butter, and I see no reason why a duty should not be placed on the ingredients referred to. I think it is only fair to the dairy producers that this should be done. I noticed in an article in the Free Press of yesterday that Manitoba is becoming a large producer of dairy products, and that something like 6,000,000 pounds of butter were produced in that province in the year 1920. In my opinion the Bill in its present form would seriously affect the manufacture of butter in the province of Manitoba, in fact in the whole of Canada. I am not looking at this question from a purely local point of view; I am viewing it from a national standpoint, and I believe that as a nation we would suffer from this legislation unless some safeguards are thrown around the manufacture of dairy products in this country. I therefore feel that the minister should take these facts into consideration in dealing with this measure.

Mr. SPEAKER: Is the House ready for the question?

Mr. SUTHERLAND: Before submitting the question, Mr. Speaker, I should like to point out that the exception by the hon. member for Selkirk (Mr. Hay) is well taken. The manufacturers of oleomargarine are permitted to import all the ingredients under a duty of only one per cent. It has been stated by the advocates of the manufacturers of oleomargarine that about 70 to 75 per cent of it consisted of ingredients produced in this country. Well, by having a protective tariff on those ingredients you could ensure that condition of affairs. But it would not suit the manufacturers as well as the present arrangement, because of the fact that they are now enabled to buy in a foreign country all those ingredients with the exception of butter. When butter was 66 cents a pound, as it was a little while ago, there was a tariff of only six per cent. At 33 cents a pound that tariff would be at the rate of 12 per cent. In other words, when the price doubled the tariff was reduced by one-half. In connection with the tariff on other articles manufactured in this country there is an ad valorem duty, and therefore when the price doubles the tariff also doubles. That is the difference in the treatment of the two articles under our tariff, and it is absolutely unfair. We ought to have an ad valorem duty on butter.

As a matter of fact about $250,000,000 worth of dairy products were produced in this country last year, and only about one-fifth was exported. So there is no closing our eyes to the fact that our home market is by long odds the most valuable one our farmer has. At the same time I realize the importance of the consumer getting his food as cheaply as possible. These large exports of butter during the past few years have been entirely due to the enormous expansion of the dairy industry. In the county from which I come, where the first cheese factory in Canada was established, I have witnessed successive transformations. First it was largely a butter manufacturing county; after that the farmers went almost entirely into the manufacture of cheese, and as Ingersoll cheese it was well known all over Great Britain; those cheese factories one after another gave place to the condenseries and powder factories as a result of the British Government controlling the price of cheese during the war. Now, there is a tendency to again open up many of the cheese factories, for the reason that the farmers after experiencing both conditions realize the importance of having a well balanced system of farming.

The butter-making industry to my mind is the most important branch of agriculture that we have to-day, although we are not carrying it on at all in our county. I suppose nine-tenths of the farmers of my constituency purchase butter, and I am not too sure but what lots of them purchase oleomargarine. Therefore, when I take exception to this measure it is not by reason of the fact that there is any great demand from my constituency—I want that distinctly understood—but it is the principle involved, and it is also because of the fact that every drop of the milk we are selling to the condenseries goes off the farm. As a result of that system of farming there is an enormous drain on the fertility of the land; but with the system of dairying whereby butter is manufactured you have the essentials to sus-

cessful agriculture. The raising of cattle, hogs and other live stock is the only way in which the fertility of the soil can be maintained and farming carried on successfully. To-day our people are very largely purchasing commercial fertilizers, and I am not too sure, even with the high price they have been obtaining for condensed milk and powder and ice cream—because there are factories where the milk is converted into ice cream—that they have any advantage. As I pointed out, many of our farmers are going back to the manufacture of cheese again, and I believe that many more would welcome butter-making factories if they were established in that district. The places where you will find the best system of agriculture carried on are where cattle and hogs are being raised. There is no closing our eyes to the fact that we have a difficult period ahead of us, and I am satisfied that live stock is the only salvation for our farmers in the future, and that therefore we must encourage by every means in our power successful development along these lines. I believe this measure is a retrograde movement, and I am absolutely opposed to the principle involved in encouraging adulteration, because, as I pointed out before, the present system is really enabling these people to adulterate oleomargarine.

What about the original manufacturers and importers of oleomargarine? Two years ago I received a letter, but I did not quote it when this matter was last before the House. It is dated October 8, 1919, and is from Mr. H. D. Marshall, Canadian sales agent of "Kingnut" butter. It reads:

I read with considerable interest the item in this morning's Citizen, giving an account of the discussion in the House yesterday regarding the extension of the permit for the sale and importation of oleomargarine in Canada.

I was particularly interested in the stand which you took regarding the use of June butter in the manufacture of oleomargarine.

Permit me to say from the standpoint of one who is largely interested in the sale of oleomargarine, that I heartily approve of the stand which you take.

The admixture of butter with oleomargarine does not improve the quality of the oleomargarine, and certainly does not add anything to the value of butter. This practice is one which I would like to see stopped, and the oleomargarine industry placed on its own legs to stand or fall on its merits. The admixture of butter into oleomargarine is the result of a popular demand from dealers to give them an article which they can place before the consumers as nearly representing butter as possible.

My contention is that oleomargarine is a commodity which can be used as a spread for bread, but does not and should not and should not be made to interfere with the business of manufacturing and selling butter.

It is evidently too late for any action to be taken on this during the present session, but if at the next session of the House you feel disposed to bring this topic up again, you can rest assured that you will have the hearty co-operation and support of at least one who is largely interested in the manufacture and sale of oleomargarine.

This Kingnut butter, or margarine, is manufactured very largely in the United States, and also, I believe, in Canada, and, as I have said, this letter was sent to me by the Canadian sales agent here. I cannot support any measure that will discriminate against the freedom of the individual, and, as has been pointed out by several hon. members who have spoken, that is what this measure does. The dairy industry is one of the most laborious in this country. While an eight-hour day is being agitated for in connection with other activities, those who are engaged in the dairy industry find it necessary to put in twelve or fourteen hours a day. It is not intimated in the measure now before us that any change in the regulations is contemplated, and in view of all these considerations there is only one course for me to pursue. I am not in favour of preventing the manufacture or importation of this product, and if I had any assurance that anything better would be adopted I would be inclined to vote accordingly. But there is no assurance from the Government that these most iniquitous regulations will be removed and the monopoly cease which is now enjoyed by two of the large packing houses in this country—companies which have received a rebate of nearly a quarter of a million dollars during the last year and a half in connection with this matter. I contend that these regulations in their present form are not in the interests of the public and since they are to remain I am compelled to vote for the amendment.

The House divided on the amendment (Mr. Denis), which was negatived on the following division:

YEAS

Messrs.

Baldwin,	Fraser,
Béland,	Gauvreau,
Boivin,	Kay,
Brouillard,	Lafortune,
Casgrain,	Lanctôt,
Chisholm,	Léger,
Déchêne,	Marcil (Bonaventure),
Delisle,	Marcile (Bagot),
Demers,	Mayrand,
Denis,	Pelletier,
Desaulniers,	Robb,
Fafard,	Séguin,
Fortier,	Sinclair (Antigonish
Fournier,	and Guysborough),

Stein, Tobin,
Sutherland, Trahan,
Thompson (Hastings), Truax—33.

NAYS

Messrs.

Allan, Lapointe,
Anderson, Leduc,
Andrews, Lemieux,
Argue, Lesage,
Arthurs, Long,
Ballantyne, MacKelvie,
Ball, Mackie (Edmonton),
Best, Mackie (Renfrew),
Blair, Maclean (Halifax),
Blake, Maclean (York),
Bolton, MacNutt,
Bonnell, McCoig,
Boyce, McCrea,
Boys, McCurdy,
Brien, McDermand,
Bristol, McGibbon (Muskoka),
Buchanan, McGregor,
Bureau, McIsaac,
Cahill, McMaster,
Calder, McQuarrie,
Caldwell, Manion,
Campbell, Martin,
Casselman, Meighen,
Chaplin, Mewburn,
Charlton, Michaud,
Charters, Middlebro,
Clark (Bruce), Molloy,
Clark (Red Deer), Morphy,
Clements, Mowat,
Cockshutt, Munson,
Cooper, Myers,
Cowan, Nesbitt,
Crerar, Nicholson (Queens, P.E.I.),
Cronyn, Nicholson (Algoma),
Crowe, Papineau,
Currie, Pardee,
Davidson, Peck,
Davis, Pedlow,
Doherty, Prevost,
Douglas (Strathcona), Redman,
Douglas (Cape Breton S. and Richmond), Reid (Grenville),
Drayton (Sir Henry), Reid (Mackenzie),
DuTremblay, Rinfret,
Edwards, Ross,
Fielding, Savard,
Finley, Scott,
Foster (Sir George), Shaw,
Foster (York), Simpson,
Fulton, Smith,
Gervais, Spinney,
Glass, Steele,
Green, Stevens,
Guthrie, Stewart (Hamilton),
Halladay, Stewart (Lanark),
Harold, Thompson (Weyburn),
Harrison, Thompson (Yukon),
Hay, Thomson (Qu'Appelle),
Henders, Tolmie,
Jacobs, Tremain,
Johnston, Tweedie,
Kennedy (Glengarry and Stormont), White,
King, Wigmore,
Knox, Wilson (Wentworth),
Lalor, Wilson (Saskatoon),
Lang, Wright—130.

[Mr. Sutherland.]

PAIRS

(The list of pairs is furnished by the Chief Whips).

Messrs.

Tudhope, Proulx,
Griesbach, Euler.

Mr. EULER: I was paired with the hon. member for Edmonton West (Mr. Griesbach). Had I voted, I would have voted against the amendment.

Main motion agreed to, Bill read the second time, and the House thereupon went into committee on the Bill, Mr. Boivin in the Chair.

On clause 1—manufacture, importation and sale permitted.

Mr. MANION: I beg to move to amend clause 1 by substituting for the new section three therein proposed, the following section:

Notwithstanding anything contained in the Dairy Industry Act, 1914, chapter 7 of the Statutes of 1914, or in any other statute or law, the manufacture in and importation of oleomargarine into Canada shall be permitted until the 31st day of August, 1922, and the offering for sale, the sale, and the having in possession for sale of oleomargarine, shall be permitted until the 1st day of March 1923.

In other words the amendment is to the effect that this legislation holds good for one year.

Mr. FIELDING: It is much to be regretted that the Government has spoiled a good Bill by encouraging this amendment. There is no reason in the world why we should shilly-shally with this thing from year to year. If oleomargarine is a bad thing, let us put the ban on and stop it; but this bringing in a Bill, as the minister has done this year, to provide that oleomargarine shall be treated like any other article of commerce, and now because the Bill has met with a little criticism to postpone, as he is doing, a final decision for another year, is not wise politics; it is not good statesmanship; it is not commonsense. Let us settle the thing and be done with it, and not go on in this way for another year.

Mr. CLARK (Red Deer): I find myself in absolute agreement with what has fallen from the hon. member for Shelburne and Queen's (Mr. Fielding). There is no defence in logic for the course which the Government are taking. What is the reason? Was this Bill not thought out before it was brought down to the House? Do the Government confess that they have so ill-considered the principle of the Bill that it

is changed on account of a slight waft of opinion on their side?

No reason is offered for the change. As my hon. friend has just said, it is good or it is bad to introduce oleomargarine into this country. If it be good, why do it for a year? Many things were done temporarily during the war, but the war is over, and there is no argument that I know of for any action along temporary lines. If there is, I am subject to correction, and I shall be glad to hear the correction. It is not done out of principle; it is done out of party expediency to meet the views of certain kickers on the other side of the House. Having made that protest, I do not know that there is any need to talk any further. the Government's action is strong confirmation of the view of those that think this Government has outlived its mandate and ought to go to the country—strong confirmation indeed. Is there any subject upon which they take a definite stand? I dare say they would answer: On the principle of protection. Well, even that stand is taken outside of the House, and not in it. My right hon. friend spoke on that subject the other day, and never put up an economic argument. He keeps those for outside of this House. On a dozen other things, as I have indicated before, this Government has committed acts of infanticide, and this is an addition to the number. Here is perhaps the strongest personality in the Government, whom we all respect, or did, as a really strong man, coming down with a Bill which presumably he has thought out with the care which he bestows on every detail of his departmental work. At the end of the session, after he has had four months of a session to think about it and a year since the question was last before the House, he brings before us the considered proposition of a government that professes to have a mandate to rule this country, and in one afternoon he changes his opinion and says: We will try it for just another year. Well, an Englishman naturally sympathizes with the bottom dog, and when peoples are so weak in their support, why, my sympathy naturally goes out to them. But there is a duty for hon. gentlemen on this side of the House, and my duty is to protest that we have in this the last evidence of weakness on the part of the Government and a strong argument why they should cut the painter, take their courage in both hands, and go to the country with their principle of protection or any other policy they have, and give the country a chance. Then we shall get a Government that really governs in this country. This Government does not govern. If I wanted to prove to any visitor to Ottawa for the first time that this Goveernment does not govern, I would take him to the Plaza and show him the method of recording time here. He would look on one side and see a clock arranged by the railway company, showing two o'clock in the day. He would look at another clock, arranged by the municipality of Ottawa, and see that it was three o'clock. He would naturally say: What is the Government of the country doing? I should have to reply: Oh, they take the time from the municipality when they are looking that way, and from the railway company when they are looking the other way. I do not want to go over all these acts of infanticide again, but they are getting too numerous for this country to have the slightest further patience with the Government, and they call on the Government to take at least one resolute action, and that is to go and get a breath of fresh popular air in their sails and see how it suits their constitution.

Mr. SUTHERLAND: I hold in my hand the Canada Gazette, under date of October 25, 1917. Dealing with this matter, the Order in Council provides:

> Whereas attention is drawn to the abnormal demand for butter due to war conditions and to the very great probability that such abnormal demand and consequent high prices will prevail for this product for some time to come.

Then, after referring to the regulations, it provides:

> Such regulations to be in force and to have effect for the period during which the present abnormal conditions continue, the conclusion of such period to be determined by His Excellency the Governor General in Council, as provided in the said regulations, and as a war measure only.

Mr. Chairman, I contend that the period of deflation in the price of butter has arrived, and that the regulations contained in this Order in Council are no longer justified. I have pointed out that I do not take exception to the importation or manufacture of this article of food. What I did object to was the regulations contained in this Order in Council. I therefore beg to move in amendment to the amendment, seconded by the hon. member for South Ontario (Mr. Smith), to add at the end of the section the following words:

> provided that no oleomargarine shall be imported into Canada or manufactured in or sold, offered for sale or had in possession for sale in Canada which contains any milk or cream or any product of milk or cream.

This will do an injustice to no one, and will be a protection to those engaged in the industry.

Mr. BEST: I think it ill becomes any hon. member to get up in the House and read a lecture to the Government and to hon. members as to how they should vote, as my hon. friend from Red Deer (Mr. Clark) has just done. I can tell him that if the members sitting around him vote as he wants them to at the snap of his finger, the members on this side of the House have minds of their own and they vote as they see fit. Judging by the way the hon. member for Red Deer talks in this House, one can imagine that if he had the powers the Czar of Russia had some years ago, he would be much more intolerant than the Czar himself. This is not the first time that the hon. member for Red Deer has read the riot act to the Government and to hon. members on this side of the House; yet I do not think there is a member of this House who talks as much one way and votes the opposite way as the hon. member for Red Deer. I voted the way I did because I understood the measure was to be extended for one year, and I trust that when I vote as I see fit the hon. member for Red Deer will not find fault with me.

Mr. CLARK (Red Deer): The hon. member has totally misrepresented what I said. My remonstrances were naturally directed to the Government, and I hope in parliamentary language, for not standing by their Bill. I said nothing about how my hon. friend or any one else in the House voted. There is a total misunderstanding or a total misrepresentation of what I said, and I must ask my hon. friend to accept my disavowal. I never made a single remark about the way he voted; my remonstrance was addressed entirely to the Government, to whose ranks my hon. friend does not yet belong.

Mr. BEST: I do not know any hon. member who talks as much one way and votes another as the hon. member.

Mr. Du TREMBLAY: I am opposed to the amendment because it is unfair to the people of the country, and to the freedom of trade. If this legislation is to be made applicable only for one year, you will discourage the manufacture of this food in Canada, and as I said before, if this food is wholesome there is no reason why its sale should not be permanently permitted, subject to proper inspection by the officials of the Government. No doubt the Government will accept this amendment to please the farmers. They are trying to please everybody in the country, but they will succeed in pleasing none. The Bill, as first introduced, would allow the permanent manufacture and sale of oleomargarine in Canada. Why change that principle now? It is said that this article is mostly bought from the United States now. Well, that will continue to be the case if permanent legislation is not passed here, because no business man will invest in the manufacture of this oleomargarine in Canada without some assurance of permanence and stability. The Minister of Agriculture should stand by his Bill to-night and not be intimidated by any suggestions as to what the consequences may be. He cannot deceive the farmers of the country; if he changes his attitude they will know very well it is for political purposes, and he will not attain the end he has in view. The amendment should not be sustained.

Mr. EDWARDS: When this matter was first introduced into the House in 1918, it was brought forward by the then Minister of Agriculture, the member for Marquette (Mr. Crerar). At that time it received the endorsation and approval of practically every member in the House, and certainly of the member for Red Deer (Mr. Clark). The war ended on November 11, 1918, and in 1919 it was thought necessary to pass legislation to authorize the continuance of the manufacture and importation of oleomargarine. At that time the member for Red Deer did not raise his voice in protest, and say that the matter should be settled at once. He found no fault, as he does now; he approved of an extension for the year. Another year went by and we came to 1920, and again, in his estimation, it was perfectly all right to extend the period for another year, and there were no charges against the Government of vacillation. It was quite right, in his estimation, to extend the period for one year. Now, however, all of a sudden, a change has come over the spirit of his dreams, and it is an undoubted evidence of weakness on the part of the Government that they should ask the House to do exactly what he approved of doing on two different occasions in two former years. What is responsible for this sudden change on the part of the member for Red Deer? On a former occasion he had not a word of disapproval for the extension of time, and, of course, that settled it. When the matter had the ap-

proval of the member for Red Deer it was perfectly proper, irrespective of what any other member might think. Now it has his disapproval; it is bound to be wrong; he undertakes to read the House a lecture, and gets off some of his talk about protection and free trade, and mandate, etc.

In speaking on this Bill this afternoon I said that I had opposed from the start, on principle, the importation and manufacture of oleomargarine, but I found myself in the first instance in a hopeless minority. That was certainly true in 1919; and again in 1920 practically the whole House was in favour of extending the time for another year. I said this afternoon that while I should like to see the importation and manufacture of this article prohibited, I thought that it was well that, if in the judgment of the House—and I was influenced by the fact that on two former occasions the vast majority of the members were in favour of it—an extension for one year should be permitted, legislation should be passed to that end; and I said that I would rather see an extension granted for another year than see a permanent measure put through.

What can be said in favour of an extension for a year? There is this that might be said. While you can point to prices which have obtained for butter during the last two or three months as being so low as to give the producer of butter no profit, at the same time, others who favour the manufacture and importation of oleomargarine might say that this is only a temporary condition, and might plead for an extension for a year until we found out for certain whether these low prices would continue, or whether they would get back to their former basis. That is something the Government might urge in justification of their attitude in extending the time. On that ground, and because I understood from the remarks of the minister this afternoon that, instead of putting a permanent measure through, he was disposed to extend the time for another year, I voted with the Government on the Bill. I am in entire accord with the amendment to the amendment. I agree with my hon. friend from Oxford (Mr. Sutherland), that the manufacturers of oleomargarine should not be permitted to make use of butter or cream in order to give some degree of respectability to the article they are trying to sell in competition with the makers of butter. For that reason, I shall vote for the amendment to the amendment, because I think that it is an improvement on the Bill and will allow the manufacture of oleomargarine for another year, when conditions and prices may adjust themseves. The acceptance of the amendment of the member of Oxford is something which the Government could do without injury to the Bill; in fact it would add strength to it.

Mr. FIELDING: I am no advocate of rash legislation If this were a new matter which the House was considering for the first time I could see some reason for temporizing with it, such as my hon. friend who has just spoken has advanced. But, as I pointed out we have had this question before us now for three years. Therefore the Government know all about it. It is not a case where they need further information. They have had all the opportunity possible for learning what are the ingredients that enter into oleomargarine. They have had every opportunity to learn whether it is a wholesome or unwholesome product; there is absolutely no more to learn. We know as much about it to-day as can be learned in the course of another year. It is for that reason I protest against the Government temporizing with the question. If there was something more to be learned, if some reason was indicated for postponing this question again, it would be a different matter. But twelve months hence, especially if there be an election pending, we shall have this same story again and somebody will be trying to postpone the question for another year. It is a most unreasonable thing. If oleomargarine is a bad product, if its importation, manufacture and use is objectionable, or against the interests of the farmer, let us say so and settle the question once and for all. If oleomargarine is open to all the objections that hon. gentlemen have urged so strenuously the Government are doing a great wrong in continuing it for another year. Let the question be dealt with to-day without any further shilly-shallying; let the Government deal with it as they would deal with anything else.

Mr. MEIGHEN: I did not have the advantage of being in the House during the discussion this afternoon, but I think I shall say something in reply to the statements of my hon. friend for Shelburne and Queen's. This Bill has been, in virtually the same form, before this House on, I think, two previous occasions. In the Bill as introduced by the Government in the first place, a stipulated time was fixed for the law to remain in effect, for the rea-

son that there were at that time very special circumstances affecting the production and consumption of butter in Canada, necessitating, as it was deemed, some cheaper substitute because the poor and the labouring classes in this country, particularly those two, could not afford butter at the higher price being paid for it. Those were the special circumstances that had to do with the limited time that was fixed in the Bill. That measure was followed by the Bill providing for an extension. When the Bill was introduced this time the Government felt that there was no further reason for a limited time, and that in accordance with the best public policy oleomargarine should be admitted without limitation of time, of course under the restrictions that are provided for by the regulations and such further regulations as might be called for. In that form the Government would prefer the measure to pass. I understand that the Minister of Agriculture this evening—in view of very considerable opposition in the House to the Bill passing in that form; the ground being taken that the special circumstances that surrounded the production and sale of butter have in great degree passed away and that consequently there should be no permanent prohibition of the importation of oleomargarine—under those circumstances the Minister of Agriculture stated that rather than see a prolonged discussion of a subject of this kind when we hope to end the session shortly and rather than imperil the Bill in any way, he would accept it in the form in which it passed before. Of course, I am prepared that lectures shall be read by the hon. member for Red Deer, but I am not very seriously alarmed by the accusation that because the Government under such circumstances accepts an amendment to a Bill, it consequently commits infanticide and abandons its principles. The Government does not do that at all. We are now, as we hope, very close to the end of the session. We would prefer the Bill as it is, but if it meets the wishes of the House better in the amended form we would rather have that than delay the session too long or imperil the legislation,—that is all. For those who are fearful as to the authority of a Government that admits an amendment, I would commend them to look around to a capital not very far from here, where they will find very close friends of their own who seem not at all concerned when they introduce legislation, and, if hostility appears, even on the part of the Opposition, ignominiously abandon it on very short notice, where such hostility is not merely an accident arising toward the end of a session but seems to be the regular practice. However that is not the case here. The Government's position is this: We prefer the Bill as it is. We believe, though, in view of the opposition, that we should accede to that amendment rather than imperil the measure and we propose to accept the amendment if it is the will of the House. We prefer the Bill in the shape in which it is. We think ourselves that the time has come when oleomargarine should be admitted. I am sorry that opposition to the Bill developed on this side of the House, or on either side; but under the circumstances, as we are nearing the end of the session, we felt it was better, rather than that there should be prolonged discussion, that the Bill should pass in a form which leaves the matter just as it is for another year, when, under the circumstances of that time, the House can again decide what it wishes.

Mr. FIELDING: The Prime Minister tells us that he and the Government prefer the Bill as it is. He did not give us a chance to vote for the Bill as it is. Before we reached a division on the question, when the matter was still pending, the Minister of Agriculture volunteered the statement that the Government were going to abandon the Bill as it is, and under this amendment we had no chance to vote for the Bill as it stands to-day.

Mr. MORPHY: The amendment of the hon. member for South Oxford appeals to me for a reason which I think has not yet been suggested to the House. Canada at times exports large quantities of butter to outside markets and has done so for years. It is quite well known that difficulties have been created in the past, both in regard to cheese and butter products by reason of the mixing of an inferior article with the genuine product. Now we propose in this Bill to probably permit the adulteration of butter by the mingling with it of oleomargarine. I believe the farmers and producers, and the dairymen of this country, are proud of the products they have produced in the past, both as regards cheese and butter, and are endeavouring to excel in the superiority of these articles to-day and for the future. Now if it is going to be permitted in Canada to mix butter with

oleomargarine and sell it under the name of oleomargarine the result may probably be that some of it will be so near butter that it will be hard to distinguish from the genuine article, but nevertheless a taint may be produced in it and in some way it may be shipped out of the country and thus injure the market for Canadian butter. I think that is a very dangerous expedient to favour in the interest of the dairy producers of this country. There is no question to my mind that in the United States frauds in oleomargarine assumed enormous proportions and I fear that in the case of Canadian butter when shipped abroad there will from the possibility of its manipulation and the likelihood of oleomargarine being mixed with it, be a tendency to vitiate the high standard of Canadian butter, to lower that standard in the markets of the world, and thereby bring injury to the butter producers of Canada. Therefore I propose to vote for the amendment to the amendment of my hon. friend for South Oxford.

Mr. LAPOINTE: It seems to me that this amendment to the amendment is neither logical nor reasonable. If, as we are told, 25 per cent of oleomargarine is composed of butter, then to that extent its use makes a market for butter. If on account of the high price of butter—fortunately it is not so at the present time—it ever happens that some people are unable to buy it, they will buy oleomargarine and thus be able to indulge in butter to the extent of 25 per cent. The opponents of the Bill say that oleomargarine is not a wholesome article of food. If that be so, why should they make it worse by preventing the use of 25 per cent of dairy products in its manufacture? I think those two reasons are sufficient to justify my voting against the sub-amendment.

Mr. SINCLAIR (Guysborough): The hon. member for Dufferin (Mr. Best) said that he voted for the Bill because of the fact that there was a certain amount of oleomargarine manufactured in the country which had not been sold, and he wished to give its owners an opportunity of selling it. My hon. friend evidently has not looked at the statute, because, as I understand it, under the present law the sale of oleomargarine is legal until March 1922. Therefore there was no need for my hon. friend to vote for the Bill on the ground he stated.

My hon. friend the Minister of Agriculture does not seem to be very certain about the Bill itself or he would not have accepted the amendment. His attitude justified me and other gentlemen on both sides of the House who voted against the Bill, because if he was sure it was a good measure he would have stood by it and it would become law. The Prime Minister is in the same position. He prefers the Bill as it is. But although he has a sufficient majority at his back to put the Bill through, he hesitates, for some reason or other which I am unable to understand.

I am opposed to the Bill for certain reasons, principally because the Government have given no assurance to our butter makers that they will frame regulations to prevent oleomargarine being confused with butter. That is one of the main reasons, I am informed, for the opposition from our dairy people. They complain that the product which is put on the market is neither oleomargarine nor butter, but a kind of adulterated butter, and it is often sold to people who do not know the difference between the two articles. That is unfair to our butter makers, and if the department had made regulations to remove that uncertainty I would not have the same opposition to the Bill. The Dairy Association of Canada has made a proposal—which apparently the minister has not taken any notice of—that some steps be taken in regard to the colour of oleomargarine to make it impossible to palm it off as butter. In order that that may be brought about I intend to support the amendment of my hon. friend from South Oxford, as, if carried, we will have either pure margarine or pure butter.

Mr. GLASS: The amendment of the hon. member for South Oxford embodies practically the main features of the request of the National Dairymen's Association to the Government as recited by the hon. member for Guysborough this afternoon and repeated by me later. Like the hon. member for Shelburne and Queen's, I do not like this temporising, for I think it creates unrest and dissatisfaction, and heaven knows at the present time our farmers have enough anxiety and worry over the very sudden deflation of the commodities they produce. I have no doubt that the views of the Dairymen's Association have been placed before the Government, and I should like to see those views given effect to and the measure made permanent.

To fully satisfy the needs of our dairy industry the Minister of Finance should also remove the unjust discrimination against butter in favour of oleomargarine.

The manufacturers of oleomargarine have stated that about 75 per cent of its constituent parts is made from products of the farm. The hon. member for South Oxford says that that is not so. At any rate there is no doubt that a very large proportion of the ingredients are the by-products of the farm, and naturally that makes a market for what otherwise would to some extent command a much lower price. Therefore to that extent it is to the interest of farmers that these fats may be used to manufacture a commodity that brings a better price.

I certainly think the amendment is entirely in accord with the sentiments I expressed on the floor of the House, and with the wishes of the National Dairymen's Association, and I trust the Government will see fit to accept it. I am satisfied that the measure would be far better if it were made to apply permanently, not only to allay unrest and anxiety on the part of our farmers, but also on the part of the manufacturers of oleomargarine, because as the hon. member for Winnipeg pointed out, the institution which contemplated starting the manufacture of oleomargarine in the West will no doubt hesitate unless they have some certainty of a permanent market.

Mr. CAHILL: A few minutes ago I supported this Bill, and to that extent the Government, but I must confess that I then had no idea that the Government were going to be so wobbly as to turn tail and run from their own Bill. I am afraid that I cannot follow them any further in their backsliding. But I would ask the minister now how far he proposes to go with this amendment and the amendment to the amendment. What is the Government's well-considered policy on this Bill at the present moment?

Mr. TOLMIE: I cannot agree with the amendment to the amendment as submitted by the hon. member for South Oxford (Mr. Sutherland). In the first place, if we adopted his suggestion we would not have what is known as oleomargarine in this country at all. While the National Dairy Council is an organization we all respect and one which is doing a great deal of good, an organization which may represent to a considerable extent the great dairy interests of this country, still we must not forget that there are hundreds of thousands of beef cattle in this country raised on the ranch and on the farm, and that the men who produce these cattle have every right to market their products to the very best possible advantage. In the average beef steer slaughtered in our packing houses there are ten or twelve pounds of stearine, ten or twelve pounds of oleo oil, and some tallow. The stearine is usually used for shortening in baking and the oleo oil is at present being used in the manufacture of oleomargarine. All this manufacture is carried on under the most careful supervision, and this oleo is secured only from what are known as the edible fats of the animal carcass. We do not permit the manufacture of oleomargarine in the ordinary creamery or dairy, because it would be quite impracticable; we would have to maintain an army of inspectors to carry on the necessary inspection and supervision. The manufacture of oleo is permitted only in the packing houses of the country where we maintain a corps of skilled meat inspectors who see that all the various operations are properly carried out. In addition to the inspection of the oleo and of the fats from which the oleo is made, there is also the inspection of the vegetable oils. The milk and butter used in the manufacture of oleo must either come from tested cows, showing that the animals are free from tuberculosis according to the tuberculin test, or must be pasteurized, showing that there is no possibility of the oleo being contaminated by the use of tuberculous milk or butter in its manufacture. Under these conditions I do not see why the manufacturer of oleo should be prevented from adding good clean butter and milk—articles that are more expensive, and, as our friends claim, more nutritive than the article which he produces in the abattoir—and thus to improve the quality of the product which he is turning out. One hon. gentleman, I think it was the hon. member for Glengarry (Mr. Kennedy), referred to the nutritive value of the various products, and I think quite properly said that milk is perhaps one of the very best products for growing children or growing animals. By the addition of this milk and butter, then, we make that spread which the poor man is compelled to use for his family when butter gets too high in price. This product is better in quality than it would be if it was made from straight oleo or straight vegetable oil. I do not think we should refuse the poor man this cheap spread for his bread in place of the dripping, pork or beef, which has often been used in this country in the past. I do not

think he should be refused the right to purchase all the oleo he wishes to use at the cheaper price, provided the product is made under careful inspection.

Now, with regard to the imported oleo, the animal oleo comes in here with a certificate from the Bureau of Animal Industry at Washington, which is the same as our Health of Animals Branch here, showing that the product has been manufactured under careful supervision. Vegetable oleos made from straight oils are accompanied by a certificate from the Bureau of Chemistry at Washington showing that these articles have been prepared under proper conditions. So that this oleo is perfectly safe from a health standpoint; it is considered very wholesome indeed, and by the addition of butter it is made more palatable than it would otherwise be. Some one has suggested that we should provide that oleo shall be made of a colour foreign to its natural colour. I hold in my hand a sample jar containing oleo prepared in the Harris Abattoir in the middle of winter; hon. members can see that it is of a distinct yellow colour, and I think it would be unfair to ask the manufacturers of this oleo to dye the product pink, or blue which is entirely foreign to its natural colour. Now, what do we find so far as the application of our regulations is concerned? I may say for the benefit of the hon. member for Guysborough (Mr. Sinclair) that our regulations are already very strict.

Mr. SINCLAIR (Guysborough): Will the minister say whether there is any butter in the sample which he showed to the committee?

Mr. TOLMIE: No, this is natural oleo from the Harris Abattoir, and the colour is its natural colour. No colouring matter is allowed to be used in the manufacture of oleo. No colouring is allowed to be sold or given away with the package of oleo. The brand "oleo" in prominent letters must be clearly placed on the side of each package of oleo—that is, right on the article itself. We do not permit the words "butter", "dairy", "creamery", or the name of any breed of cattle to be placed on any package or any advertising matter for the purpose of selling oleo. In addition to that, we are at present considering a change of the shape of the packages in which oleo is sold. I hold in my hand the ordinary package in which butter is sold, and also a narrower, flatter package. It is suggested that the oleo manufacturers be compelled to sell their products in a narrow package of this kind. This practice has been followed in Denmark for some time, with very satisfactory results.

Now, let us see what the manufacturer of good butter has to fear from the manufacture and sale of oleo in Canada. There is no possibility of oleomargarine ever being a competitor of good butter. As I said this afternoon, once a person has got the taste of good butter he will not be satisfied with oleo. But there are several brands of bad butter with which oleo actually comes in competition. I think it was the hon. member for Fort William (Mr. Manion) who said this afternoon that when it comes to a comparison between good oleo and bad butter, we would rather have the good oleo. Now, the following is the result of the application of the law by the inspectors of the Health of Animals Branch and the Dairy Branch during the years 1919 and 1920. In 1919 there were 8 convictions under the oleo law, and 111 convictions for the manufacture of bad butter. In 1920 there were 12 convictions under the oleo Law and 128 convictions for the manufacture of bad butter, showing that the maker of good butter has not so much to fear from the oleo manufacturer as he has from the man who tries to sell inferior butter.

Mr. ROBB: If the minister will allow me, in order to make his comparison correct he should give the committee the number of manufacturers of butter as compared with the number of manufacturers of oleo.

Mr. TOLMIE: I cannot give that. But some hon. gentlemen have suggested that oleo is doing a great deal of harm to the manufacturers of butter. I may say that from December 1, 1917 when the importation of oleo was first permitted, to September 30, 1920, there were imported 15,373,334 pounds of oleomargarine. During the same period we manufactured in this country 22,463,727 pounds, or a total of 37,837,061 pounds of oleomargarine manufactured and imported. In the same period we consumed in this country 600,000,000 pounds of butter, so that oleomargarine did not play a very important figure in those years. Since permission was given for the manufacture, importation and sale of oleomargarine, the manufacture of butter and dairy products generally in this country has gradually increased.

Mr. SMITH: Being a farmer myself, mixing amongst them, and seeing many consumers of oleomargarine, I have

never heard any desire expressed that this Bill should go into operation. I venture the assertion that no Order in Council would have been passed in 1917, and no Bill would have been passed by this House at a later period, had butter been at the same price at which it is to-day. The hon. member for Shelburne and Queen's (Mr. Fielding) says that this is either right or wrong. I have no use for the Bill; I think it is wrong, and, therefore, I propose to support the amendment for one year because we shall be able to have another whack at the matter in that time. When I say that I have no use for the Bill, my reason is because oleomargarine—whether it is manufactured here or imported, does not make much difference—must take the place of so much butter. Farmers are going to have hard enough times during the next twelve or eighteen months, and this is one of the means of making times a little harder for them. I should like to have supported the amendment of the hon. member for Joliette (Mr. Denis) for the six months' hoist, but I felt there was such a strong feeling in the House that a Bill of some kind should go into operation, that I thought it was better to vote for the amendment for one year.

Mr. SINCLAIR (Guysborough): Has the minister considered the proposal of the Dairymen's Council to give oleomargarine some distinctive colours that it cannot be confused with butter?

Mr. TOLMIE: I thought I had made that quite clear. I drew the attention of the committee to the natural colour of oleo oil, and I said that I could see no reason why any one should want to make it a distinctive colour which would be a great handicap to selling it in the market. The butter maker is permitted to colour his winter butter, which is very light, and to make it like June butter, but we refuse to give a similar permission to the manufacturer of oleomargarine. Some go so far as to object to his mixing good butter with oleomargarine and to permitting him to buy butter in June, although by so doing he is improving the quality of his product and making it more palatable. When we consider that this article is used by families whose fathers do not earn very large salaries and who are compelled to use the cheaper product, I think the manufacturer should be permitted to make that product as palatable and as good in quality as possible. Our experience—and I have kept in very close touch with the situation since this Oleomargarine Bill first came before the House—has been that as butter has gone down in price, the consumption of oleomargarine has lessened in proportion. This information was given only this afternoon by an official of the Dairy Commissioner's branch. He says that the average price of butter in Ottawa to-day is 35½ cents and the average price of oleo is 28½ cents, showing an advantage in favour of butter of seven cents a pound, and there is no sale at all for oleomargarine. That has been the situation. As I said a moment ago, no one who has once acquired the taste of good butter will waste time on oleo if good butter is to be obtained.

Mr. SINCLAIR (Guysborough): Am I right in assuming that the manufacturer of oleo is allowed to mix it with butter and sell it as oleo?

Mr. TOLMIE: He adds from 20 to 25 per cent of butter to the oleo, vegetable oils, neutral lard and so forth.

Mr. SINCLAIR (Guysborough): Would the minister have any objection to the manufacturer of butter mixing butter with some other oleo product and selling it as butter?

Mr. TOLMIE: That would not be permitted under the Dairy Act. We do not allow the manufacture of oleomargarine in the ordinary dairies and creameries of the country, because it would be almost impossible to keep track of the business. The manufacture is carried on only in establishments where there are regular inspectors who carry out the Meat Inspection Act. All that work is carried on under the closest supervision.

Mr. LEMIEUX: Would the minister, for the benefit of my health, kindly inform me what are the respective nutritive qualities of butter and oleomargarine?

Sir GEORGE FOSTER: Does that make the hon. member any healthier?

Mr. TOLMIE: The general argument is that milk and butter are better for growing animals and children, although I might point out that the adult who consumes oleomargarine, while not obtaining quite as much nutritive matter as he would obtain if he were consuming straight butter, also consumes many other articles of food which make up for that loss. Our Canadian army used oleomargarine altogether when at the front, and I never heard of Germans complaining of any lack of "pep" on the part of our men.

Mr. ROBB: I am going to vote for the amendment to the amendment, because I can find in the regulations nothing that will prevent manufacturers of oleomargarine, if they wish to do so and prices got about equal, from mixing 75 per cent of butter instead of 25 per cent, and the result might be that they would gradually displace the manufacture of butter and, to that extent, injure the dairy trade.

Mr. BUREAU: Are there as many calories in oleomargarine as in butter?

Mr. TOLMIE: No, there are more in butter than in oleomargarine.

Mr. GLASS: The minister was good enough to say that the department were giving some consideration to changing the form of the package in which oleomargarine may be sold. May we reasonably hope that this consideration will develop into definite action in the matter? That is a point that the Dairymen's Council felt strongly on, namely, of having a differently shaped package entirely, so that you would get it away from the butter form. That has been the complaint since oleomargarine was first placed on the market, and if the Government carry out that idea, a serious grievance will be removed.

Mr. SUTHERLAND: We have heard a great deal about the splendid qualities of the ingredients that go to make up oleomargarine. The general manager of the Harris Abattoir gave evidence before a committee of this House with reference to the matter. This question was put to him by my colleague to my left (Mr. Nesbit:

Q. You do not churn it with the first milk?—A. Yes, it is churned with skimmed milk, fresh skimmed milk.
Q. I understood it was fresh milk?—A. No.

It is skimmed milk that is used, and it is well known that there is not much substance left in skimmed milk, whether it comes from tested cows or not. As far as tested cows are concerned, if there were any defects in the milk, they would come off with the cream. Now just a word or two with regard to colouring. This witness also admitted that they purchased highly coloured June butter to make their product more palatable. This was the evidence:

Q. The law expressly forbids colouring to be put in margarine, and you endeavour to get round this by purchasing June butter which is highly coloured, to deceive the public?—A. You are entitled to your interpretation of the facts.
Q. Is that not a fact? You realize that if it was sold without any colouring?—A. It would not be so palatable; it would be like eating lard.

So you see that the object is to deceive the people, and that is the reason I have moved the sub-amendment which is now before the committee, so that people will know exactly what they are purchasing. We should have information before this committee to-night as to the ingredients of the oleormargarine that is on the market to-day, and that has been for some time past. That information has not been supplied to the House. Consequently I feel that we are justified in seeing that dairy produce is not placed in the position that was referred to by the hon. member for North Perth (Mr. Morphy) and by the hon. member for Huntingdon (Mr. Robb), where these people would be able to purchase butter when it was cheap and possibly incorporate eighty per cent of it in their product, thus making it a greater competitor with butter than it is to-day.

Mr. MACLEAN (Halifax): I rise to a point of order. The vote on the second reading of the Bill very clearly expressed the view of the House upon the principle of the Bill. The Minister of Agriculture has stated that the amendment to the amendment if adopted would mean that oleomargarine could not be made in this country. Therefore, the amendment to the amendment is a complete reversal of the principle enunciated by the House to-night, and I submit that it should be ruled out of order. I have very grave doubts whether the amendment itself is in order, but I do not raise that point.

The CHAIRMAN: The sub-amendment reads as follows:

Provided that no oleomargarine shall be imported into Canada or manufactured in or sold, offered for sale or had in possession for sale in Canada which contains any milk or cream or any product of milk or cream.

When the sub-amendment was moved, it was certainly in order. The statement has since been made by the Minister of Agriculture that according to some scientific information which he has received it would be impossible to make oleomargarine that would be saleable under the conditions mentioned in the sub-amendment. It would, I think, create a very bad precedent if information of this nature was relied upon by the chairman in deciding a matter of parliamentary procedure. The information given to the House by the hon. minister was

evidently for the purpose of informing and directing hon. members in the matter of their votes, and not for the purpose of directing the chairman in his decision upon a point of order. I have no hestiation in ruling that the sub-amendment is in order.

Amendment to the amendment negatived; yeas, 17, nays, 78.

Amendment agreed to.

Section as amended agreed to.

Mr. ROBB: I beg to move as section 2 of the Bill the following:

2. Section seven of the said Act is amended by adding thereto the following words "and are also marked or labelled with a statement of the ingredients and the proportion of each ingredient used in making the oleomargarine contained therein."

Mr. TOLMIE: That would not be practicable at the present time, as far as our present information goes. We have been considering this matter, and have it under consideration now, and are gathering as much information as we can possibly get on it. These ingredients may vary in proportion to one another at different times. For instance, in hot weather probably less of the lard oils are used than at other times. The cheapness of a certain quality of butter might mean the inclusion of a larger percentage of butter than was usual when prices were higher. The ingredients vary according to the market price and the supply available. I do not think there are any two factories that make their product on exactly the same formula. The formula varies in all packing houses to a certain extent, but at the present time we are giving very careful attention to that particular point, and if we decide that it is practicable to apply such regulations, the Act will permit us to do so.

Mr. KAY: Is it not true that in the United States they have to put the ingredients on the package?

Mr. TOLMIE: I cannot give an exact answer to that question, but I do not think that it is so; it has never been brought to my attention.

Amendment negatived on division.

Bill as amended reported.

CRIMINAL CODE AMENDMENT

House again in committee on Bill No. 138, to amend the Criminal Code,—Right Hon. Mr. Doherty.—Mr. Boivin in the Chair.

[The Chairman.]

On section 1—definition of "feeble-minded."

Mr. DOHERTY: The purpose of this section is to make it an offence to carnally know a feeble-minded female, and the first sub-division of the section gives the definition of feeble-minded persons. In the words of the section:

"Feeble-minded persons" means persons in whose case there exists from birth or from an early age, mental defectiveness not amounting to imbecility, yet so pronounced that they require care, supervision, and control for their own protection, or for the protection of others.

There is a provision which is added as clause 302 (a), that every one is guilty of an indictable offence and liable to imprisonment for five years who has illicit connection with any girl or woman who is feeble-minded. We have it on the testimony of a large number of persons, who take an active interest in the protection of women and children, that there is a widespread habit, on the part of men, of taking advantage of the feeble-mindedness of females who may have reached the age of consent or got beyond that age, to have illicit intercourse with them; and it seems to be a proper protection of these unfortunates who, while not being absolutely imbecile, have not been favoured by nature with ordinary mental capacity.

Mr. JACOBS: I think the statistics show that at least four-fifths of fallen women are found to be feeble-minded. There is nothing here to show that the person who has connection with a feeble-minded girl or woman, and who is unaware of the fact that she is feeble-minded, is to be differentiated from the person who has that knowledge. Where is the protection for such a person?

Mr. DOHERTY: Of course, there will have to be evidence establishing the feeble-mindedness of the woman concerned, and I think that if you can adduce facts that demonstrate the existence of feeble-mindedness on her part, those facts in themselves would make it palpable to any person coming in contact with such a woman that she was feeble-minded.

Mr. JACOBS: But it is a scientific fact that practically all women of this character are feeble-minded, or they would not be in that state.

Mr. DOHERTY: The hon. member overlooks the definition of feeble-mindedness contained in the section. No doubt there may be degrees of feeble-mindedness, but

the definition calls for something that goes further than mere feebleness of mind. It will not be sufficient to prove that the person is feeble-minded in the ordinary sense of the word, and in the sense in which I think the hon. member uses it when he speaks of a large majority of a certain class of people being feeble-minded, and of persons coming in contact with them not being aware of the fact. The feeble-mindedness defined in the section I have just read is of such a degree that, I think it is not unfair to assume, it would be quite evident to any one dealing with a person of the mentality therein described.

Mr. JACOBS: But there is a question of knowledge on the part of the person having connection with the feeble-minded person. Take the case of a fallen woman who has become an ordinary street-walker, and who, in the course of her peregrinations, meets a man and takes him to a house of assignation. How is this man, on a mere cursory acquaintance with this woman, to know that she is feeble-minded?

Mr. DOHERTY: The acquaintance is very apt to be cursory under the circumstances.

Mr. JACOBS: How is he to know that she is feeble-minded?

Mr. THOMSON (Qu'Appelle): We might assume that those people for whom my hon. friend has so much sympathy should have some responsibility placed upon them before they undertake to get into trouble. But there is another point in connection with this section that bothers me somewhat. A feeble-minded person is described as one who is not necessarily an imbecile, but whose mental defectiveness is so pronounced that she requires care, supervision, and control for her own protection, and for the protection of others. It seems to me that my hon. friend has not been very guarded in the terms he uses. Is there in the criminal law of any other country whatever a section of this description? It seems to me that the words my hon. friend uses there are capable of various interpretations by different judges; I doubt very much whether any two judges would give the same interpretation. I think you might almost assume that almost any of these women are persons who require care, supervision and control. I think it is probably because they have not had the amount of care, supervision and control that they should have had that they have gone astray. Perhaps there are not so many of us that have had the care, supervision and control that we should have had.

Mr. BELAND: The hon. gentleman, of course, is speaking for himself.

Mr. THOMSON: I will leave my hon. friend out. However, I seriously think the words are not well chosen, and that there will be a wide range of interpretation given to them. I have not any phraseology to suggest to my hon. friend such as would better fit the case, but I think the words at present in the section are unsuitable and dangerous to have there.

Mr. DOHERTY: I am not in a position to say precisely the states in which there is such a definition, but I am informed that a similar provision does exist in certain of the states and that this is the definition that is given. I would like to point out that you must have two things combined: you must have a feeble-mindedness that gives rise to the necessity of care and supervision and so forth. The mere fact that care and spervision would be good for somebody would not put that person in this class. You must prove that the person has been subject to feeble-mindedness from birth or subject from an early age to mental defectiveness, not amounting to imbecility but so pronounced that she requires, care, supervision and control. Now I am sure that the hon. gentleman, when he suggests that many of us require, care, control and supervision, even if we were prepared to admit it, would not expect us to admit it was feeble-mindedness that made such necessary; it might be propensities of another description. I do think, with all respect, that no judge would err with that definition before him and having it put clearly before him that the things that he requires to have proved are, that from birth and from an early age the persons suffered from mental defectiveness not amounting to imbicility, but of such a character as to make care, control and supervision necessary. It has to be pointed out that it will not be sufficient to prove that care and supervision would be good for that person, or that because that person may be addicted, say, to drink that control and supervision would be a good thing to bring him, or her, within the class of feeble-minded persons. It must be established that there was a mental defectiveness that was the source of this need of care and supervision; and it does not seem to me that we are putting before

the courts anything in the nature of a specially difficult matter to deal with in asking them to ascertain whether the facts laid down in that definition do or do not exist. Of course those facts will have to be established by evidence as all other facts require to be established. I feel very strongly that nobody is being exposed, in view of that definition of feeble-mindedness, to be convicted under this section under circumstances that he could not very well be held responsible for. The difficulty is, I would not say conjured up, but—like certain letters that have been heard here—really imaginary, and I think we might very safely leave those who might be prosecuted for this offence to be dealt with by the court. If you should have a case where the party would be in a position to show lack of knowledge, or so forth, I think we could safely leave it to the court to mete out under those circumstances so small a punishment as might be suitable to the offence. We have always to remember that a gentleman to whom this law is going to be applied is a gentleman who comes before the court in the position of having undoubtedly had illicit connection with some female; and while it might not be desirable to make that offence punishable as a crime, still if it did happen that the gentleman who did permit himself to have this illicit connection did make a mistake and did not pay sufficient attention to know that the victim was a feeble-minded person, I do not think he would be the object of great commiseration if he did get some mild punishment to make him realize that when you do take a chance of that kind you are taking a very serious chance.

Mr. JACOBS: Does my hon. friend call five years imprisonment mild punishment?

Mr. DAVIS: I submit that the negative feature in this adds nothing to the definition. In that lies the difficulty, and the provision would be very much clearer if the words "not amounting to imbecility" were struck out. The provision would then read:

> "feeble-minded persons" means persons in whose case there exists from birth or from an early age mental defectiveness so pronounced that they require care, supervision and control for their own protection or for the protection of others.

Mr. DOHERTY: I think the reason for inserting the words in question is that there already exists a provision covering the case of a man having illicit connection with an imbecile woman, and that the purpose of making the distinction is, I apprehend, because the present offence is not treated as being as grave and subject to as serious punishment. I am not able to lay my hand on the section at the moment but that section exists without doubt.

Mr. PARDEE: Is it section 216?

Mr. DOHERTY: Section 219 reads:

> Every one is guilty of an indictable offence and liable to four years' imprisonment who unlawfully and carnally knows or attempts to have unlawful carnal knowledge of any female idiot or imbecile, insane or deaf and dumb woman or girl under circumstances which do not amount to rape, but where the offender knew or had good reason to believe,

And so forth. With regard to the observation about punishment, and in view of the difference, I think we might substitute four for the five years.

Mr. PARDEE: Why in face of section 219 does the minister think it at all necessary to add this amendment. That section already reads more strongly than this amendment, and you are endeavouring to so word the latter that the greatest doubt would prevail and expert evidence would have to be given as to whether the woman was or was not feeble-minded. She might be feeble-minded along one line and perfectly sane along other lines, and I think the hon. member for Winnipeg (Mr. Blake) will back me up in that statement. Now you are taking from a clear-cut well-defined section and you are endeavouring to surround it with such difficulties that when a case comes before a judge to decide whether the accused is guilty or not guilty medical evidence will have to be had first on one side and then on the other, that the girl is compos mentis in all but one thing, or non compos mentis all down the line. A man might be enticed by a female who appeared perfectly sane and able to take care of herself, he commits this offence, and then you make it a matter of expert testimony whether he has committed an unlawful act or not. I have no sympathy whatever for the man who knowingly seduces a woman who is feeble minded and appears so—punish him as severely as you like; but here in section 219 you have the offence laid down perhaps even stronger than this amendment in its definiteness:

> Every one is guilty of an indictable offence and liable to four years' imprisonment who unlawfully and carnally knows or attempts to have unlawful carnal knowledge of any female idiot or imbecile, insane or deaf and dumb woman or girl under circumstances which do not amount to rape.

You cannot make it stronger than that unless you get yourself into a maze of technicalities, and I submit to the minister that he had much better leave the section as it stands.

Mr. DOHERTY: Section 219 remains just as it is—

Mr. PARDEE: Quite so.

Mr. DOHERTY: —and under it there is the same necessity of proving the insanity. The purpose of this amendment is to make it an offence to have illicit connection with girls or women who are not insane but are feeble minded as defined. This creates a new offence. It does not alter the offence which is created under section 219. I observe, however, that in the latter section there has been borne in mind what the hon. member for George Etienne Cartier suggested, that there should be some provision for knowledge on the part of the person accused, and I think that probably it might be proper to make the same provision in connection with this offence. I would be prepared to amend this clause by adding similar words which would meet the objection made by the hon. member for George Etienne Cartier, and would go a long way to obviate the other objections that have been suggested.

Mr. THOMSON (Qu'Appelle): I am in full sympathy with the minister's desire to provide adequate punishment in these cases, but I still think that his terms are very indefinite. In his explanation of this section it seemed to me he was leaving the impression that feeble mindedness was part of the definition. As a matter of fact it is not feeble mindedness that we are defining; mental defectiveness is the term used. That is just as vague as the other terms we are referring to. As I said before, we all require "care, consideration and control." I am not sure that we are not all more or less mentally defective.

Mr. JACOBS: This time you are talking of the Farmers' party?

Mr. THOMSON (Qu'Appelle): We will accept the Farmers' party, if you like. But there is a certain amount of mental defectiveness about everybody. No man is effective in every particular. I should like to see the minister formulate something which will be a little more definite.

Mr. BLAKE: I think this Bill might be interpreted as a measure to legislate people into heaven. It seems to me it leaves itself open to almost any interpretation that any magistrate or judge might put upon it. one authority has said that all people are insane, but some are worse than others, and we send them to an asylum. If you examine medical jurisprudence you will find the dipsomaniac described as a man who wants to drink every "pub" dry. We describe him as a drunkard. The Jack the Ripper type has a homicidal mania but he may be very clever otherwise. I think it is conceded by medical experts that all the girls in the red light district can be classified as nympho-maniacs. They are feeble minded—mentally defective—and this clause here could be construed by any severe magistrate to ban illicit intercourse entirely. I think the section does not meet the requirements for describing feeble minded persons. Every woman of ill fame may be regarded as a nympho-maniac, and therefore is classed in our medical jurisprudence as one of the insane class, and as such could be so regarded under this section.

Mr. DOHERTY: In view of the observations which have been made and the manifest differences of opinion which exist, I suggest that we let this clause stand and go on with the other clauses of the Bill.

Mr. BUREAU: Instead of standing we had better rise.

Mr. DOHERTY: Of course, it is necessary, preliminary to standing, that we should rise. But there are many clauses of this Bill which I think we could dispose of, and perhaps we might consider dropping entirely those that are very contentious.

Section stands.

On section 2—"Recorder's Court" included in definition of "justice."

Mr. DOHERTY: I beg to move that section 2 be dropped. The provision was proposed at the instance of the municipal authorities of Montreal. I have had communications from the Attorney General of the province in which he enters objection to the passing of the clause. I do not think it would be proper for us to pass it until these two authorities who are directly concerned in it have come to a conclusion.

Section dropped.

On section 3—provision respecting instructions to jury in cases of seducing girls between 16 and 18, seducing female employees, carnally knowing girls between 14 and 16.

Mr. DOHERTY: The section itself dealt with the age of consent and likewise made it a criminal offence for an employer in a factory or business establishment of that kind to seduce a girl or woman occupying the position of servant. The amendment extended the provision so as to cover, among other classes, domestic servants, who were not previously covered. The Senate passed the amendment but added a proviso to the effect that in cases of seducing girls between 16 and 18 or seducing female employees or carnally knowing girls between 14 and 16, the judge might instruct the jury to the effect that if they thought it was more the fault of the girl than of the person accused they might acquit him. Now, that provision strikes at the principle of the thing. The principle of the law is that the girl below the age of consent is incapable of consenting and under this proviso made by the Senate, if the jury is told that this girl whom the law assumes to be incapable of consenting may have been more at fault than the party charged, he may thereupon be acquitted. As I say, it is a proviso that goes far toward destroying the effect of the provision itself, and as the House has already come to the conclusion that the law ought to stand without that proviso, it is only logical that we should adhere to the legislation as we enacted it. Of course, it is within the power of the Senate to adhere to what they enacted, in which event our amendment will prove ineffective.

Mr. BUREAU: The section of the Act says that on the trial of any offence under sections 4, 5 or 8 of the Act the trial judge may instruct the jury that if in their view the evidence does not show that the accused is wholly or chiefly to blame for the commission of the offence they may find a verdict of acquittal. Now, we might by this Bill strike out the clause in the section of the Act which deals with the age of consent and let the others remain.

Mr. DOHERTY: I would be prepared to accept that suggestion.

Mr. McMASTER: I seems to me absurd that a man should be acquitted in a case of that kind. It might be quite proper that his punishment should be very much modified by reason of the lessening of the moral obliquity, but it does not seem to be logical to acquit him.

Section agreed to.

On section 5—prohibition respecting concealed weapons extended to pistols, etc.

[Mr. Doherty.]

Mr. ARTHURS: It is a very grave mistake, I think, to put the word "ammunition" in that clause. It would deprive a man of the right to buy a few cartridges at any time. I think it is uncalled for.

Mr. DOHERTY: We will let that stand.

Mr. ARTHURS: I would like to see the clause itself pass, because we did something last year that we did not intend to do. We passed an act whereby it was made unlawful for a man to have in his possession any kind of rifle, pistol, shot-gun or firearm of any kind. It was intended to apply to aliens but the effect has been that any man is now liable to penalty if he has any of these things in his possession. I am desirous that the clause should pass, but I think that the word "ammunition" should not be used as it appears in the clause.

Mr. DOHERTY: It will be found that clause 5 has not the effect of adding to the severity of the law; on the contrary, it seeks to correct what was an over-severity in the provision as it was passed. It is to reduce the severity of the law, not to increase it.

Mr. CURRIE: The effect of the word "ammunition" being in the provision is that a man is allowed to have a pistol at home, but he is not allowed to carry any ammunition home. That is absurd. If the word "ammunition" is struck out, the provision will be all right.

Mr. BUREAU: I should like to point out that we have been here since two o'clock in the afternoon and it is now twenty minutes after one o'clock. The minister should move that the committee rise.

Mr. CURRIE: This is a very important clause for our consideration; it involves thousands of people, and it will not take five minutes to put it through. This is the most important clause in the whole Bill. If you want to stop it and drop the thing, all right; you must take the responsibility.

Mr. BUREAU: Mr. Chairman, I wonder if the Minister of Justice or the hon. member for North Simcoe (Mr. Currie) is in charge of the Bill. We are asking the Minister of Justice to move that the committee rise and I think we are making a fair demand. We have been sitting here since two o'clock in the afternoon, and it is now twenty minutes past one. We ought to consider this measure after we come fresh from bed to-morrow.

Mr. DOHERTY: Although I may be in charge of the Bill, the hon. member for North Simcoe has the same right to express his view of the question whether we ought to proceed as the hon. member for Three Rivers (Mr. Bureau) has. I think, however, we all desire to adopt that course that will be most conducive to business being put through promptly and at the same time receiving proper consideration. If hon. gentlemen feel that it is not consistent with those requirements that we should continue this morning, I have no desire to insist against the wish of the committee generally. If that be the wish of the committee, I would have no objection to the committee rising and reporting progress. I would be glad to be able to report more progress before we rise, but I do not desire to insist against the general wish of the committee.

Mr. CURRIE: When did it come about in this House that a member is not allowed to speak before a committee? The hon. member for Three Rivers knows that he was out of order when he made such a charge. He has no right to check me; I am just as old a member of this House as he is. My concern in this Bill is this: I introduced a Bill in the House covering these clauses; the Minister of Justice agreed to take my Bill, and I dropped it like a gentleman, in order to save the time of the House I did not force it through. Having regard for that, I think the least the committee could do would be to have regard for me because I did not spend two or three days arguing over the Bill. Now, when it comes before the House, somebody wants to block it.

Mr. BUREAU: I do not want to block it, but I do not want to be commanded by my hon. friend.

Mr. DOHERTY: Supposing we just forget the suggestion of commands. I am sure the hon. member for North Simcoe had no wish to issue any orders. We want to proceed in good humour and to consult each other's views as to what is desirable. If it is the general desire of the committee that the committee should rise, I move that the committee rise, report progress and beg leave to sit again.

Progress reported.

On motion of the Right Hon. Mr. Doherty the House adjourned at 1.25 a.m. Thursday.

Thursday, May 26, 1921.

The House met at Two o'clock.

FURTHER SUPPLEMENTARY ESTIMATES

Sir HENRY DRAYTON (Finance Minister) presented further Supplementary Estimates required for the public service for the year ending March 31, 1921, which were referred to the Committee of Supply.

CIVIL SERVICE ACT, 1918, AMENDMENT

Hon. Mr. SPINNEY presented the third and final report of the Special Committee to which was referred Bill No. 122, to amend the Civil Service Act, 1918.

Mr. BUREAU: Have any amendments been made to the Bill by the committee?

Mr. SPINNEY: Yes, there are some amendments to the Bill.

Mr. FIELDING: I presume that the Bill will be reprinted as amended.

Mr. MEIGHEN: Yes.

CANADA TEMPERANCE ACT

Right Hon. C. J. DOHERTY (Minister of Justice): I beg leave, subject to the approval of the House, to introduce a Bill, and I ask the House to waive the requirement of previous notice. The purpose of the Bill is to ratify and confirm certain proceedings in connection with plebiscites that have taken place under part 4 of the Canada Temperance Act. As the House is doubtless aware, there is pending presently before the Supreme Court an action in which the proceedings in the province of Alberta are attacked. Numerous constitutional grounds are invoked, and of course with those this Bill is not concerned. But I understand, that it is further claimed that there was an irregularity in the original proclamation ordering the plebiscite, the alleged irregularity consisting in the fact that that proclamation did not state a specific day on which the prohibition would come into effect if the vote of the people was favourable to it. The proclamation stated that the prohibition would come into effect, in the event of the vote being favourable, on a day to be fixed by a subsequent Order in Council. Our law officers were then, and still are, of opinion that the proclamation in its present form is sufficient; but in view of the obvious, I think I may say, prejudice to the general public interests if the case should be de-

termined upon this mere question of regularity, and determined in a sense adverse to the validity of the election, it seems to us wise that that minor question should be removed subject to such conditions, of course, as will do no injustice to the parties in the case whatever be the event of the judgment. The Bill contains two clauses. The first clause deals with this particular question of the proclamation, and the second clause is one of general application analogous to a clause already existing in the general Elections Act, substantially providing that no mere defect of form shall invalidate any order given under the Canada Temperance Act pursuant to a plebiscite, unless it appears that the result of the vote has been, by reason of the irregularity complained of, materially altered. This last clause, as I say, is analogous although not in identical words, to a similar clause, proceeding upon the same principle contained in the general Elections Act, and I think it is a clause which will commend itself to the judgment of the members of this House. Taking this particular instance, should it happen that the result of the present proceedings should be a judgment setting aside all that has been done upon the ground of what is claimed to be an irregularity, the country would find itself in this position, that it would be necessary to begin all over again; incur the entire expense of the plebiscite, and furthermore with the prospect—more than the prospect, I think one might say the certainty—that we would have, in connection with the constitutional question involved, the now pending action, which has now reached the Supreme Court, to be gone all over again. All this would entail considerable expense to the parties, and more especially to the country, and would attain no substantial advantage or benefit for any one. It is not, from what we can ascertain, probable that a judgment will be rendered before Parliament prorogues, and if a judgment comes after prorogation, and resting upon this alleged irregularity, there would be no opportunity to take any action for a long period of months, and there would certainly be no opportunity then, by any action that would be taken, to obtain a judgment upon the constitutional questions in the present case. We would then find ourselves with an interregnum of indecision. We might possibly ratify the plebiscite at that time, but it would still be subject to attack upon the constitutional grounds that are invoked. From every point of view it seems to be desirable that the matter should be dealt with upon these important constitutional points, and that we should run no risk of its going off upon a mere question of formality, and of a judgment being rendered which, if it rests solely upon that question of formality, will leave all the parties interested, and the country, in the position I have indicated, and subject both to very heavy costs.

[Mr. Doherty.]

Mr. FIELDING: Mr. Speaker—

Mr. SPEAKER: Unless the right hon. gentleman gets the unanimous consent of the House he cannot proceed. Is it the pleasure of the House that the right hon. gentleman should have unanimous consent to introduce this Bill?

Mr. FIELDING: I ask the privilege of putting a question. Is it the intention of the right hon. gentleman to legislate people out of court?

Mr. DOHERTY: We propose not to legislate them out of court, but the effect of our legislation would be to determine that particular question.

Mr. FIELDING: Instead of the court determining it?

Mr. DOHERTY: The court would decide what is regular under the existing law, the effect of the Bill would be to modify the law so as to obviate the necessity of deciding that question. So far as the particular parties in the case are concerned, their one interest in its being done now or later is in regard to the costs they have incurred, and the Bill specially provides that the court shall determine, whatever may be its ultimate decision, as to the question of costs.

Mr. BUREAU: Does that apply to pending cases?

Mr. DOHERTY: It does not say so in express words.

Mr. BUREAU: It is not unanimous.

Mr. SPEAKER: The hon. member for Three Rivers (Mr. Bureau) objects. Therefore the right hon. gentleman (Mr. Doherty) not getting unanimous consent, his further proceeding would be out of order.

Mr. FIELDING: Give notice. I do not object now, but I will later on.

Mr. DOHERTY: I had reason to believe that it would not be objected to.

DOMINION LANDS ACT AMENDMENT

On motion of Hon. J. A. Calder (Minister of Immigration and Colonization) Bill No. 212 (from the Senate) to amend the Dominion Lands Act, was read the first time.

NORTH WEST TERRITORIES ACT AMENDMENT

On motion of Right Hon. Arthur Meighen (Prime Minister) Bill No. 213 (from the Senate) to amend the North West Territories Act, was read the first time.

LAKE OF THE WOODS AND OTHER WATERS

Right Hon. ARTHUR MEIGHEN (Prime Minister) moved that Bill No. 216 (from the Senate) respecting the Lake of the Woods and other waters be read the first time.

Mr. MACKENZIE KING: When this measure was before the House on a previous occasion the right hon. Prime Minister mentioned that it was in connection with concurrent legislation on the part of the Ontario Government. I understand that that legislation has not been proceeded with. Under the circumstances, is it the intention of the Government to proceed with this Bill?

Mr. MEIGHEN: The previous Bill, already passed, was intended to be concurrent with legislation by the province of Ontario which did not go through, so our former Bill is valueless. The present measure is designed to hold the situation in the meantime, until, if it should come to pass, the Ontario Legislature enacts the concurrent legislation contemplated.

Motion agreed to, and Bill read the first time.

QUESTIONS

(Questions answered orally are indicated by an asterisk).

PENSIONS TO EX-CIVIL SERVANTS.

Mr. POWER:

1. Is the Government aware that a large number of ex-Civil Servants receive pensions on a scale altogether incommensurate with the present high cost of living?

2. Is it the intention of the Government to increase these pensions?

Right Hon. ARTHUR MEIGHEN (Prime Minister):

1. It has never been the policy of this country to supply all ex-civil servants with pensions sufficient to keep them; indeed, many have no pensions at all. The cost of living is rapidly declining.

2. The Government has no proposals to this end.

CANADIAN NATIONAL RAILWAYS—TRAIN SERVICE

Mr. MARCIL (Bonaventure):

1. Has the Management of the Canadian National Railways received an application from the Campbellton Board of Trade asking for improved local train service eastward to Bathurst, New Brunswick, and westward up the Matapedia Valley?

2. If so, what action, if any, will be taken?

Hon. Mr. REID:

1. Yes.

2. Request will be carefully considered.

JOSEPH MARCIL—PENSION

Mr. MARCIL (Bonaventure):

1. Referring to question answered on April 29th by the Honourable Minister of Finance regarding pension paid to Joseph Marcil, is the amount allowed permanently fixed, or is the case still under consideration?

2. Has the Patriotic Fund investigated the case of L. T. Marcil, the father of the above-mentioned soldier?

Hon. Sir HENRY DRAYTON:

1. The amount is not permanently fixed. The award of pension in this case will be determined by the Board of Pension Commissioners when Mr. Marcil is discharged from treatment which he is now receiving under the Department of Soldiers' Civil Re-establishment.

2. The Patriotic Fund was raised by private subscriptions, and consequently is a private fund administered by a board who are in no way responsible to Parliament or to the Dominion Government. The honorary secretary of the fund considers it would not be advisable to disclose its dealings with those to whom assistance has been given.

CANADIAN NATIONAL RAILWAYS—SHUNTING ENGINES

Mr. BUREAU:

How many shunting engine hours have been absorbed at Saskatoon during the month of April, 1921, by the Canadian Northern Railway?

2. How many shunting engine hours have been absorbed at Saskatoon during the month of April, 1921, by the Grand Trunk Pacific Railway?

Hon. Mr. REID:

1 and 2. Total engine switching hours of Canadian Northern and Grand Trunk Pacific Railways at Saskatoon during the month of April were 2,358 hours and 15 minutes. This includes the time occupied assisting passenger trains into and out of Saskatoon and in making transfers between Canadian National and Grand Trunk Pacific, which will be eliminated when new facilities are provided. Figures

for Grand Trunk Pacific could not very well be separated from Canadian Northern as staffs have been amalgamated into one operating unit.

HAMILTON-BRANTFORD HIGHWAY

Mr. WILSON (Wentworth):

1. What was the estimated cost of that completed portion of the Hamilton-Brantford highway, lying between Paradise road and Binkley's Corners?
2. What is the width of this road?
3. Was it let by public tender, and if so, what tenders were received?
4. Did the lowest tenderer get the contract?
5. What wages per day were paid for teams, labourers, trucks, truck drivers and road inspectors on that completed protion of the Hamilton-Brantford highway?
6. Has there been any reduction made in these wages from those paid last year?
7. What was the price paid for stone?
8. Does the Government allow the use of prison-cracked stone on roads which they have approved?
9. What system of inspection has the Dominion Department of Public Highways respecting these roads?
10. How does the Dominion Department of Public Highways verify the expenditures of the Department of Public Works of Ontario on highways?
11. What is the mileage of provincial highways in the county of Wentworth and the estimated cost of same?
12. What is the estimated cost, contract price, length, width and kind of road on the provincial highway, which starts at the residence of the Minister of Public Works of Ontario, to the top of the mountain at or near the town of Dundas.
13. What amount of money has been spent on that portion of the Hamilton-Brantford highway between the T. H. & B. railway tracks and the village of Ancaster?
14. What is the route of the Dundas street highway through the county of Wentworth?

Hon. Mr. REID:

1. $122,000.00.

2. The width of the road grade and pavement is 30 feet

3 and 4. Tenders were invited for a cement concrete pavement 15 feet wide; 4 were received and the contract was awarded to the lowest tenderer, the Ontario Department undertaking to supply cement. After awarding the contract to J. O. Johnson, the Ontario Department was notified by the cement dealers that the necessary cement could not be supplied. It was then decided by the Highways Department to change the character of the construction from cement to bituminous surfacing, and tenders were invited from the Standard Paving Company, of Ottawa, who declined to bid, and the Warren Bituminous Paving Company, of Toronto, and the tender of the Warren Bituminous Paving Company was accepted. The tenderers for the 15-foot cement concrete pavement were as follows: J. O. Johnson, $61,008.50; H. L. Symons, $81,020.00; Engineers & Contracts Company, $87,986.00; Frid Construction Company, $121,802.00.

5. The Ontario Department of Highways reports that the following wages were paid: Foreman, $6.50 per day (and board); roller engineer, $7.50 per day; other engineer, $7.00 per day; rakermen, $6.50 per day (and board); labourers $6.00 per day; 5-ton trucks, $50.00 per day (including driver); 2-ton trucks, $22.50 per day (including driver); teams, $10 00 per day (including driver).

6. Yes.

7. Prices paid per ton at quarry: screenings, 90 cents; 2 inch stone, $1.25; 1 inch stone, $1.45.

8. This point has not come up yet as none has been used to date.

9. The work is inspected by departmental engineers.

10. By the inspection of departmental engineers and checking of expenditures by departmental auditor.

11. The provincial department reports that the mileage of provincial highways in the county of Wentworth is 64 miles. The estimated cost is $2,654,640. The estimated cost of the mileage under agreement under the Canada Highways Act is $887,126.

12. The Ontario Department of Highways state that no provincial highway starts at the residence of the Minister of Public Works for Ontario. The road referred to, while not under agreement, is reported by the Provincial Highways Department as being a section of the Dundas-Kitchener road, the estimated cost being $81,153.00, the distance 3½ miles, the width of the pavement 20 feet, contract price $2.18 per sq. yard for surface. Base almost completed last year by day labour.

13. $123,850.00.

14. From the town line between East Flamboro and Nelson townships, westerly along Dundas street to Clappison's Corners at junction of Hamilton-Owen Sound road.

INLAND REVENUE COLLECTOR—ST. HYACINTHE

Mr. ARCHAMBAULT:

1. On what grounds has Doctor A. P. Cartier been dismissed as Dominion Revenue Collector at St. Hyacinthe?
2. What is the name and the age of the person who was appointed in his stead?

Hon. Mr. WIGMORE:

1. The retirement of Mr. A. P. Cartier was due to the amalgamation of the Depart-

ment of Inland Revenue with the Department of Customs.

As a result of this reorganization the services of a considerable number of employees of the Inland Revenue Department were rendered unnecessary and their retirement has been authorized accordingly in the public interest.

2. No person has been appointed in his stead.

QUESTION PASSED AS ORDER FOR RETURN

Mr. CHARTERS:

1. What departments of the Government have placed orders for leather boots during the past six months?
2. Were tenders called for the manufacture of these boots on the army last?
3. If not, why has a new last been adopted?
4. Who was the expert who advised adoption of the new last for boots for the Royal Canadian Mounted Police?
5. Has the Financial Comptroller of the Royal Canadian Mounted Police received any protests in this matter, and, if so, on what grounds?

JUDGE SNIDER'S REPORT

On the Orders of the Day:

Hon. RODOLPHE LEMIEUX (Maisonneuve—Gaspé): Mr. Speaker, on various occasions some of my colleagues and myself have asked the right hon. Prime Minister (Mr. Meighen) when we may expect the Judge Snider report. That report is about due, and I hope my right hon. friend will see that it be laid on the Table without our having to press further for it.

Right Hon. C. J. DOHERTY (Minister of Justice): I understand from the Acting Secretary of State (Sir Henry Drayton), to whom it would come, that the final report has not as yet been received.

Mr. MACKENZIE KING: (leader of the Opposition): Mr. Speaker, when I brought up this matter the other day I mentioned that the report we were asking for was an interim report made some time ago which council has already approved. When may we expect to have that interim report laid on the Table?

Right Hon. ARTHUR MEIGHEN (Prime Minister): I stated that having regard to the circumstances I did not think it would be fair, pending the consideration of matters that were involved in that interim report, to place it on the Table before the final report was made. I do not think that it would be fair to those affected by it, because I understand that the subsequent consideration touches subjects referred to in the interim report.

Mr. LEMIEUX: Can the right hon. gentleman fix a date when we may expect to have that report?

Mr. MEIGHEN: I would very much like to have the report before the session ends. I will see if I cannot get in touch with Judge Snider or, if not, with Col. Biggar. I will do everything in my power to have the report hurried along.

INCOME TAX ACT CONSOLIDATION

On the Orders of the Day:

Mr. J. J. DENIS (Joliette): Mr. Speaker, while the Minister of Finance (Sir Henry Drayton) is in his seat I should like to ask him if it is his intention this session to proceed with the Bill which has been on the Order Paper since February 19 entituled "An Act to consolidate the Income Tax Act"? I asked the same question about two weeks ago, but the minister was not in his seat at the time.

Hon. Sir HENRY DRAYTON (Minister of Finance): It is hoped, Mr. Speaker, that some progress may be made in connection with the Bill. There is one clause of real importance which will not be at all contentious, but I think we may as well drop any contentious clauses at the present time. I am anxious to reduce some of the penalties which are to be found in the Act.

TARIFF AND THE YOUNG EMERGENCY BILL

On the Orders of the Day:

Hon. RODOLPHE LEMIEUX (Maisonneuve—Gaspé): Mr. Speaker, with your leave and with the leave of the House, I should like to put this question to the Minister of Finance. It is rumoured that in view of the Young Emergency Bill he may introduce new tariff resolutions before the end of the session. I should like to know if the report is true.

Sir HENRY DRAYTON (Minister of Finance): The report as yet has not reached me, Mr. Speaker, and I certainly have no proposals to make to the House at present.

OLEOMARGARINE ACT AMENDMENT

Hon. S. F. TOLMIE (Minister of Agriculture) moved the third reading of Bill No. 205, to amend the Oleomargarine Act, 1919.

Hon. W. S. FIELDING (Shelburne and Queen's): Mr. Speaker, I have no desire to delay the House for many minutes, but I really think this Bill should not pass its final stage without a brief comment upon the extraordinary position which the Government have taken in relation to it. The question whether oleomargarine is a legitimate article of trade and commerce was long ago answered by all the world, with one exception, and that exception was the Dominion of Canada. While the rest of the world has decided that oleomargarine, whatever its merit may be as a foodstuff, is a legitimate article of trade and commerce, Canada has declined hitherto to reach that conclusion. The Government, however, have not declined; the Government have come to the conclusion that Canada should not isolate herself from the rest of the world, from the rest of civilization. The Government, from their own testimony, have come to the conclusion that oleomargarine is a legitimate article of trade and commerce. It is not a new question; the Government have had it before them for some years, and after years of discussion they decided that the ban should be removed and the article allowed to be traded in the same as any other. But, while the Government tell us that is their conclusion, unhappily they have not the courage to stand by it. Unfortunately, while the House was ready to support them, while many on this side were ready to support them, the Government suddenly lost all faith in their own Bill. Now, for those hon. members representing farming communities who thought that in the interests of their farmers they should oppose this Bill, one can have profound respect. As for those members who opposed the Bill very warmly and then voted for it, I do not care to make any comment. But the attitude of the Government in the matter is a most extraordinary one. They tell us they have reached the conclusion that there is no further ground for putting a ban on oleomargarine, yet they are going to pass a Bill which will permit the importation, manufacture and sale of this product for one year only and bring about another fight in another year. The Prime Minister (Mr. Meighen) said last night that he was satisfied with the Bill as originally introduced. Well, if the Government held that view why did they change it? As to hon. gentlemen on that side who opposed the Bill, the Government should have known better than to take them seriously. The Government should have known very well that when it came to a division those hon. members would stand loyally by them. But at the first sign of opposition the Government suddenly threw up their hands—it is the old story of Davy Crockett and the coon: "Don't shoot; I'll come down". When the House was ready to support the Bill, when everything pointed to a settlement of this long-standing question, hon. gentlemen pursued this extraordinary course. It was an exhibition of indecision, of weakness and of folly which will not inure to the credit of the Canadian Government.

Motion agreed to, and Bill read the third time and passed.

CRIMINAL CODE AMENDMENT

House again in committee on Bill No. 138, to amend the Criminal Code—Right Hon. Mr. Doherty—Mr. Boivin in the Chair.

The CHAIRMAN: When the House was last in committee upon this Bill clause 1 had been allowed to stand and clause 2 had been dropped, clauses 3 and 4 had been adopted and we were considering clause 5.

Mr. JACOBS: I understand that clause 5 incorporates in the Bill the legislation which was introduced by the member for North Simcoe (Mr. Currie). Am I correct in that?

Mr. DOHERTY: The wording is not identical, but I think the same purpose is sought to be attained. I understand, however, that the hon. member for North Simcoe desired to move an amendment. I do not understand it to be of material consequence, but as he is not in his seat at the moment, and as I should like to afford him an opportunity at all events of putting his proposed amendment before the committee, perhaps we might let this clause stand and go on with the others in the meantime.

Mr. ARTHURS: I do not think that clause 5 as it stands is nearly as definite as was the Bill introduced by the hon. member for North Simcoe. Last year this House passed an amendment to the Criminal Code which was not very well understood by members of the House who were then present. It was understood that the amendment would make it illegal for a foreigner or alien to have firearms in his possession. Unfortunately this amendment did not so apply; it makes it illegal for any person, any Canadian, to have in his possession a gun, rifle, cannon or anything of that kind, without a permit.

In the majority of cases this permit is to be issued by officers who are stipendiary magistrates, police magistrates, or chiefs of police. As the law stands at present the permits are valid only within the jurisdiction of the officer who issues them. That means that if a man starts out on a hunting trip, say, from Ottawa and has to go through various counties in the province of Quebec, he may be arrested for having arms illegally in his possession the moment he leaves Ottawa, and at any time thereafter unless he gets a permit from each district through which he passes having jurisdiction in such matters. I do not think that was the intention of Parliament at all, and I would say that we should simply repeal clause (aa), the provision I complain of, and put nothing in its place.

Mr. McGIBBON (Muskoka): I would like to endorse what the member for Parry Sound (Mr. Arthurs) has said. The amendment of last year has created a great deal of annoyance and hardship and I would like to see the provision removed before the end of this session.

Mr. DOHERTY: There will be discussion upon this section, so I suggest again that the clause stand and we may go on with those sections which do not give rise to discussion.

Section stands.

On section 6—illicit connection with Indian women:

Mr. JACOBS: In what respect is a change being made?

Mr. DOHERTY: This is to make it an offence for any white man to have illicit connection with an Indian woman.

Mr. JACOBS: Was that not the law before?

Mr. DOHERTY: Illicit connection between a man and a woman is not a crime save in certain particular cases—as regards girls of certain ages and so forth. This is to make fornication of a white man with an Indian woman an offence. It is proposed in response to the strong urge of Indian agents and persons responsible for conditions upon reserves. It is represented that the consequences of illicit connection between the squaw and the white man which, I regret to say, is reported as being exceedingly prevalent, are most disastrous upon the reserves and to the tribes. As I have said it is represented to us that there ought to be special legislation that would enable efforts to be made to mitigate or, it is hoped, entirely to suppress this regrettable practice.

Mr. JACOBS: Does this apply to cases of Indians living on reserves, or otherwise? Or to both?

Mr. DOHERTY: As the clause stands, it applies to any Indian woman. It is not specially limited to a woman on a reserve, and if it is a good disposition, even though the abuse be more evident upon the reserve, I think there is no need to limit the disposition to the particular places where we see the evidence of the evil consequences.

Mr. JACOBS: It applies without "reserve."

Mr. DOHERTY: Yes.

Mr. JACOBS: Would it apply to half-breeds?

Mr. DOHERTY: I have not before me the Indian Act which, I understand, contains a clause defining the status of a half-breed. It would depend upon the definition whether a half-breed is to be treated as an Indian or not. In certain cases he is treated as an Indian. It would apply to whoever, under the law, is an Indian and to nobody else.

Mr. LAPOINTE: Last year we passed an Act for the compulsory enfranchisement of Indians. When the Indian acquires a certain standard of living or civilization, the law provides now that he may be enfranchised against his will. When this process is adopted with regard to Indians, will this clause apply to Indian women after they have been enfranchised under the law passed last year?

Mr. DOHERTY: No, and I am quite prepared to amend the provision by making it read: "with any unenfranchised Indian female."

Mr. JACOBS: Why should the change be made? Does enfranchisement increase their mentality, or make them more virtuous, or otherwise?

Mr. DOHERTY: No, but it puts them on the footing of the every-day, ordinary citizen. We must treat them as Indians or as non-Indians, and if by enfranchisement we make them non-Indians for all other purposes, I hardly think we should continue to treat them as Indians for this one particular purpose.

Mr. JACOBS: The question would then become one of—When is an Indian not an Indian?

Mr. DOHERTY: Yes.

Mr. JACOBS: When he is enfranchised.

Mr. BUREAU: This clause is objectionable in another way. I think it provides an inducement for blackmail. As the clause stands, there is nothing to prevent any Indian female laying a charge against a white man and having her buck Indian coming behind her for the few dollars and holding up the white man. I think the clause will do more harm than good. We do not want to give the buck Indian an opportunity, by such legislation, to take money out of white people's pockets.

Mr. DOHERTY: I suppose that is a possible evil. It is a thing that may occur with regard to crime of any nature. You may have combinations to charge people falsely with offences. If you are dealing with the case of an innocent man, I should think it would be difficult to establish a case. If you are dealing with the case of a guilty man, even though the purpose of those who are prosecuting is to get money, the fact remains that he is guilty of an offence of a nature which, it would appear if representations made are correct, there is a special necessity for endeavouring to suppress.

Mr. PARDEE: What are the representations for this legislation?

Mr. DOHERTY: The representations are that there is a practical disregard on the part of white men of any obligation to respect these Indian women, and on the other hand the Indian women are, perhaps, not as alive as women of other races in the country to the importance of maintaining their chastity, and so forth. What is pointed out, I understand, is not so much the consequences to the individual Indian woman, as the consequences to the tribe as a whole of the prevalence of this apparently recognized practice or malpractice.

Mr. BUREAU: I do not think the evil that this legislation is intended to check is going to be equal to the dangers to which this clause is open. As a rule, Indian women, particularly out in the West, have their bucks to look after them, and they are pretty jealous of and able to look after their women. We are going to legislate for human beings; we are going to pass a law that is going to expose the white man to be the victim of an Indian woman. The better method would be to have legislation on the reserve and to see that the Indians are properly looked after by the people in charge of the reserve. Let them educate the bucks to look after their own women. That would be more humanitarian than to entice them to learn new tricks to hold up the white man and blackmail him.

Mr. JACOBS: Blackmail is a white man's offence. I do not think it can be found to any extent amongst others than white people, so that there is not much danger of that.

Mr. BUREAU: We do not want any legislation that will engender that evil amongst the Indians.

Mr. PARDEE: Having regard to what has been said by my hon. friend (Mr. Bureau) as regards the Indians, I am bound to say that I deprecate this proposed legislation. More harm than good will result from it.

Mr. DOHERTY: I am not in any sense absolutely tied up to this legislation. I was endeavouring to meet the views of those who seemed to be in the best position to judge.

Mr. BUREAU: Who are they?

Mr. DOHERTY: The officers of the Indian Department in charge of the reserves. It seems to me that the hon. member for Three Rivers (Mr. Bureau) is arguing against this Bill from totally different premises. In the first place he suggests the buck Indian coming behind his squaw, joining with her to prosecute the white man in order to get some money out of him. In the next place he says that the buck Indian is so jealous of his wife that there is no need to afford her any other protection. The hon. member must have two buck Indians in mind, a different buck Indian for each speech. However, if the sense of this committee is that there should be a further examination of this provision, I shall not insist on pressing it through at the present time. On the other hand, for myself I feel disposed, from representations made to me, to think that this is good legislation, and I would not like to drop it unless I felt that the sense of the committee generally was against it

Section dropped.

On section 7—falsely registering at hotels, etc., as man and wife:

Mr. PARDEE: Is not this the clause that was dropped by the Senate last year?

Mr. DOHERTY: Yes.

Mr. JACOBS: It was dropped by the Senate for three successive years. The department seems to overlook the fact that the Senate is not in agreement with the Commons on this question.

Mr. DOHERTY: Our experience has been that the Senate has not been in agreement with the Commons on certain questions, but that they have had respect for the perseverance of the Commons, and have come to agree on being given repeated opportunities of seeing the error of their ways. I think that this House, having already more than once committed itself to the desirability of this provision, would be only acting consistently in passing it again. We have had experience of rejection by the Senate of certain provisions at one or more sessions and of the Senate finally, perhaps because of our importunity, yielding and passing the legislation.

Mr. JACOBS: By the process of attrition, I suppose—wearing them out.

Mr. DOHERTY: Contrition.

Mr. JACOBS: I opposed this measure when it came up three years ago; I opposed it when it came up two years ago; I opposed it last year, and I have not seen anything to change my views since. The question of blackmail would often arise in such a case, if it does not in the case of the Indian woman. The clause before the committee reads:

> Every one is guilty of an offence and liable upon summary conviction to a penalty not exceeding five hundred dollars or six months' imprisonment, who at any hotel, boarding or lodging house, whether by registering in any book kept in such hotel, boarding or lodging house, or otherwise, represents or pretends that a woman or man is his wife or husband, as the case may be, knowing the same to be untrue, and the onus of proof of the absence of knowledge shall be upon the person accused.

I would direct the attention of the committee to this curious clause. It is no offence for a man and a woman to cohabit. They can live together for thirty years in open adultery to the scandal of the whole community, and that is not an offence under our law, nor is it made an offence under this clause; but as soon as they register at an hotel they are liable to a fine of $500 or six months' imprisonment. Is not that absurd? Make the act of cohabitation an offence and I might be willing to support it, but to make that act of registration an offence seems to me to be absurd on the face of it. The people may be perfectly respectable citizens and commit no offence so long as they cohabit in their house, but as soon as they register at an hotel, a crime is committed. I should like to know what is the crime of registration? If the law will condone living together in open concubinage and adultery, why will it not overlook the offence of registration? Suppose this lady and gentleman want to paper their house and have to move out in the meantime to a boarding house or a hotel. Under this clause they are liable to six months' imprisonment for moving out of their house. The legislation is absurd, and the whole tenor of it is in the direction of bringing our law into ridicule and contempt. I understand that it is being promoted and fostered by some hysterical woman's society, who think they can make people virtuous by act of Parliament. I am opposed to this clause.

Mr. DOHERTY: If the hon. gentleman suggests that we should pass a law making cohabitation or adultery an offence, that is one question. My hon. friend did not quite commit himself as to whether he would support such legislation. The evil that is sought to be struck at here is the utilization of places of public resort, like hotels, boarding or lodging houses, for the purpose of committing the sin of adultery. It is represented that this is applicable on the large lines to a class of cases quite different from that which the hon. member suggests; that is to say, it affords opportunity for what I might call casual cohabitation—

Mr. JACOBS: Accidental.

Mr. DOHERTY: Accidental cohabitation of people who have no permanent liaison of any kind between them. It is a public scandal when it becomes a matter of general knowledge that a certain hotel in a community is a place where any couple can go and register as man and wife, and have all the liberties thereto pertaining. It does seem to me that that is an evil distinct from—I do not say a greater evil than—the sin of adultery itself. This provision has been urged, I might say, by people who are neither women, nor, so far as it is possible for me to judge, hysterical, and whose work is practically constantly

connected with the endeavour to suppress offences against morality. They look upon the immunity which at present exists in this case as being very detrimental to the general morals of the community in which this practice prevails.

Mr. PARDEE: Is not this legislation just about on the same line as the Mann Act which was passed in the United States some years ago? Perhaps the right hon. gentleman knows that that Act has been a most fruitful source of blackmail, to such an extent that it has been condemned even in the States where it was originally in force. In the face of that experience, I do not see why we in this House should endeavour to pass legislation which has failed hopelessly in the United States. There is no question that this legislation will lead to the results far worse than the supposed crime that it is intended to stop. The right hon. gentleman has said that this House has assented to this clause once or twice before. The last time this Bill went through the House was at the end of the session, when nobody paid any particular attention to it. So far as I am concerned, I distinctly object to this class of legislation. I think it leads to offences which are far worse than the evil intended to be cured, and for that reason I stoutly oppose this clause.

Mr. DOHERTY: This is another clause in respect of which I am quite in the hands of the committee. I have heard no expression of opinion favourable to the clause, and I desire to call attention to that on the part of hon. gentlemen who have sat silent. If there be any view favourable to the clause, I think it ought to express itself. I do not want personally, alone, to stand for insisting on a provision of this kind, if the committee generally are against it.

Mr. GORDON: There are very many reasons, I think, why this clause should be passed, particularly in view of the many travellers who come to our summer resorts in Ontario, and I suppose in the other provinces, in the summer. Couples travelling in this way from the United States and from the cities of Canada will put up at hotels, and they become practically a nuisance to the people who are spending the summer in the community with their children. It is not the class of people that should go to these summer resorts or, for that matter, to any of the hotels, and it seems to me that unless something is done to prevent a recurrence of this, matters will become worse. The summer season is prolific in that sort of thing, and, while I do not suppose that summer resorts are subjected to this trouble to any greater extent than any other class of hotel, yet I think that this practice is increasing, and something along the line proposed should be adopted in order to stop it.

Mr. LAFORTUNE: I support the minister in this matter, and I shall vote for the law he proposes because I think it is necessary. I have considerable experience of what passes in Montreal, having been Crown Prosecutor for sixteen years now. I have consulted the magistrates and they are all of the opinion that this law is absolutely necessary. As the member for George Etienne Cartier (Mr. Jacobs) says, it is too bad to see people living in immorality, and I will add that we should do everything we can to curtail the practice. We should try, if we can, to keep the hotels and boarding houses, as far as possible, free of this sort of thing. In the light of my experience gained in Montreal, I can do nothing but vote for this law.

Mr. CLARK (Red Deer): In a great many of these matters, it is very essential that governments and legislative bodies should draw a clear distinction between crime and sin. I come from a country where law is administered, as I think it is throughout the British Empire, with the utmost care and rigour; but law is for the repression of crime, especially crime committed against other people. It is not the function of government to cure sin; preachers and gospels have been labouring with sinners ever since the fall of man, and that is their function. I repeat, it is not the function of governments to cure sin. There are only three possible things we can do with the sinner, whatever the sin. You could hang him or her, but that would be a very drastic cure for most sins, and I am afraid we should find it difficult to procure executioners. And you could confine all sinners; but there, again, you would be met with the difficulty of finding gaol space and gaolers. If you do not hang them, and you do not confine them, then it follows that the sinners must live somewhere; and where governments have made tremendous blunders, blunders leading to enormous evil difficult to calculate, is that they have tried too much to make regulations as to where these people should live. I think the point raised by my hon. friend from George Etienne Car-

tier was well taken, namely, that the real crime that is being raised in this Act is the "crime" of registration. In effect it is said: Adultery is all right, but you must not associate it with spring cleaning,—and that is the whole thing with the minister. The minister admits that he cannot do anything with adultery; but if adultery be associated with spring cleaning, necessitating the removal of people for the time being to somewhere else than where they were before, then they immediately become protégés and clinical clients of my right hon. friend. I hope the minister will not extend his operations too far in this handling of sinners from the legal point of view. If he did, he could begin in comparatively near proximity to himself, and find some eligible subjects for his paternal solicitude. I honestly think that this paternalistic legislation has gone a little bit too far, and this law might very well wait for a while.

Section negatived on division

On section 8—driving a motor vehicle while intoxicated made an offence.

Mr. JACOBS: What is the meaning of the term "intoxicated" in this section?

Mr. DOHERTY: I think the courts have frequent occasion to determine when a man is intoxicated or drunk, and I do not fancy there is any more difficulty in deciding when the driver of an automobile is intoxicated than there is in establishing the drunkenness of any person not so engaged. If my hon. friend thinks the word "drunk" would be more clear, I shall insert it. I have a recollection of a policeman who was charged with being drunk on duty, and who pleaded that he might have been personally intoxicated, but that he was not officially drunk. I do not know whether my hon. friend would make any such distinction.

Mr. JACOBS: There are different degrees of drunkenness. There are cases where a man may be slightly intoxicated, but not to a sufficient extent to interfere with his driving a motor vehicle, while in other cases, he might be so affected as not to be able to handle the wheel at all. We should mention the degree of intoxication from which he is suffering before making it an offence.

Mr. BELAND: Twenty glasses.

Mr. DOHERTY: Does not the hon. member think that if a man came before the court and the evidence was that, although he had something to drink, he was not so intoxicated as to affect his control over a motor vehicle, the court would hold, under those circumstances, that he was not intoxicated or drunk?

Mr. JACOBS: My experience with courts leads me to think that we should not leave too much to the discretion of the court.

Mr. DOHERTY: I would not leave too much, but I think we ought to leave a little.

Mr. JACOBS: Yes, a little.

Mr. DOHERTY: We are leaving very little in this instance. There are similar provisions imposing penalties, I think in some of the provinces.

Mr. GORDON: In Ontario.

Mr. DOHERTY: I would point out the great gravity there is in a man driving a motor vehicle while in such a state as not to be able to control himself, to say nothing of the vehicle, and thus exposing the lives of the population. The dangers to which we are all exposed do not come so much from our own carelessness as from the carelessness of others, and this is true in the case of accidents in connection with motor vehicles. In connection with the Ticket of Leave Act, and other legislation of that kind, I have been startled at the frequency of offences in which people are killed or seriously maimed because of carelessness in the driving of motor cars, and under those circumstances it is, in my judgment, a very serious offence for a man, in any degree of intoxication that affects his perfect carefulness, undertaking to run a motor car. I do not think that the proposed penalty is too great.

Section agreed to.

On section 9,—Age that consent of child no defence in indecent assault raised from 14 to 16.

Mr. BUREAU: What is the purpose of raising the age limit?

Mr. DOHERTY: It is simply to assimilate the case of indecent assault with the case of illicit connection. The law previously fixed at 14 the age limit at which it was an offence to have connection with a girl. It has been raised with the consent of the Senate to 16. Now with regard to cases of indecent assault, where the consent is no defence, when the law stood that the completion of the act of illicit connection, regardless of consent, was a crime only with regard to girls under fourteen, then it was logical and consistent that the

age limit with regard to cases of indecent assault in which consent would not be a defence should be fourteen. But having raised the age with regard to the grave offence referred to it would only be consistent to make the same alteration with regard to indecent assault.

Section agreed to.

On section 10—Whipping added to punishments for rape.

Mr. DOHERTY: As the law stands at the present time we have the anomalous situation that you may whip a man for attempting to commit rape, but you may not whip him if he succeeds.

Mr. JACOBS: Except that he is imprisoned for life.

Mr. DOHERTY: He may be imprisoned for life, but he may not be whipped, whereas for the mere attempt he may be whipped.

Mr. McKENZIE: There is one thing I would like to say about the punishment of whipping before this section is passed. The courts, both here and in the Old Country, hear appeals in the most serious criminal offences. A man is found guilty by judge and jury of murder, nevertheless he has the right of appeal and he has a chance of escaping; but whenever a whipping is applied there is no good talking about an appeal, and there may not be a chance of getting a stay of proceedings. I am opposed to whipping at all on that ground. I am strongly with the Minister of Justice as to any reasonable punishment, but I take that objection to whipping. If the whipping is once applied there is no remedy for it, there is nothing you can do about it. I am told by those who have seen flogging or whipping that it is a most beastly thing, and on principle I must register my protest against it.

Mr. DOHERTY: There will always be applications to remit that penalty. We have numerous applications to remit the whipping even when there is no request to remit the imprisonment. These applications are always very carefully considered and there is, of course, that remedy.

Section agreed to.

On section 11—Provision respecting carnally knowing girl between 14 and 16.

Mr. BUREAU: How will the section read now?

Mr. DOHERTY: In 1920 this House raised the age.

[Mr. Doherty.]

Mr. BUREAU: You have at present the provision that the girl must previously be of chaste character and now you are striking that out?

Mr. DOHERTY: Yes.

Mr. BUREAU: Will you explain the reason for striking it out?

Mr. DOHERTY: For the same reasons that we did not put it in when we passed the law. The section as it was passed by this House was that:

> Everyone is guilty of an indictable offence and liable to imprisonment for five years who carnally knows any girl under the age of 16 and above the age of 14 not being his wife, and whether he believes her to be above the age of 16 or not.

The Senate modified that provision by inserting a requirement that the girl should have been of previous chaste character. Now that is a requirement that has existed in connection with other offences of a similar nature and which has given rise to a very great deal of difficulty in the application of the law. It has involved, necessarily involved, in every case of this kind an investigation into the chastity of the girl who has been the victim. Whatever you may say, when you are dealing with girls under sixteen, the man who takes the responsibility of having illicit connection with a girl under that age, might, I think, very well be subjected to some measure of punishment without an investigation of the entire past life of the girl concerned.

Mr. JACOBS: What if the man is fifteen or sixteen years of age or less?

Mr. GORDON: Yes, young boys.

Mr. DOHERTY: Well if he is fifteen or sixteen years of age he has not done a very virtuous thing has he?

Mr. JACOBS: I am ready to admit that, nor has she.

Mr. DOHERTY: And the court will consider all these circumstances in the measuring out of the punishment. We have got to make a general law, and the one question that we are concerned with now is, whether the existence of the offence should turn upon the previous chastity of the girl. As I have said, in the application of the law a situation is created where a girl, who has been wronged in this way, must submit, if she consents to a prosecution, to being brought before the court and humiliated by all sorts of endeavours to find out whether or not she has, at any previous occasion or time,

misbehaved herself, all for the purpose of trying to procure the escape from punishment of a person who admittedly has been guilty of a sin. I would not like to arouse the indignation of my hon. friend from Red Deer (Mr. Clark), but after all if the law should not suppress sin—and I quite agree we might have, as in our charitable operations perhaps, to begin at home if we are going to absolutely suppress sin—I do not think the law should feel called upon to surround it with protection. And if the man indulges in the sin of illicit connection with a young girl, should the legislature feel particularly called upon to protect him from the possible consequence resulting from the fact of the youth of the girl concerned and protect him by really subjecting that girl to an imposition before a public court? I must say that, supposing the result of that imposition was to establish that at some previous time or on some previous occasion she had forgotten herself, I do not see that it would be a very serious mitigation of the offence of the man.

Mr. BUREAU: I see the justness of the remarks made by the minister. On the other hand he knows, as I do, that there are girls who, at the age of sixteen, are fully developed and look much older than they really are. Supposing a man goes into a house of ill-fame or a house of assignation and meets one of these girls and has illicit connection with her—commits a sin to use the words of my hon. friend—it would not be fair that such a man should be brought before the court and accused of carnally knowing a girl under the age of sixteen, when the girl was not of chaste character previously but was known to be a prostitute. It is not fair, under such circumstances that that man should be held up before the law and found guilty of a crime.

Mr. DOHERTY: I am not quite sure that even if a woman be a prostitute there is not such a public interest in preventing young girls being polluted under the age of sixteen as to justify making it an offence for any man who contributes towards the making of young girls prostitutes who are below that age. That is the case with the man which the hon. member places before us.

Mr. BUREAU: No, he finds her there.

Mr. DOHERTY: Well, if he and men like him did not go to houses of prostitution, or if they drew the line at girls under sixteen, there would not be the encouragement to those girls to resort to that unfortunate profession, if I may so call it.

Mr. BUREAU: How is he going to know if she looks like a girl of twenty?

Mr. DOHERTY: I think it is fair for him to take his responsibility. He can satisfy himself.

Section agreed to.

On section 12—minimum sentence for stealing automobile:

Mr. McMASTER: What is the section that shall not apply?

Mr. DOHERTY: I understand that section 1035 would leave to the magistrate the discretion of imposing a fine. The other modification in the law affected by this section is to wipe out the maximum penalty. There was a maximum penalty of two years' and a minimum of one year's imprisonment. There did not seem to be any very good reason why a man stealing an automobile should get a lighter punishment than he was liable to get for the theft of some other article.

Mr. JACOBS: Why such active sympathy for the owners of automobiles?

Mr. DOHERTY: Not at all.

Mr. JACOBS: We declare the sentence for stealing an automobile shall not be less than one year's imprisonment. There does not seem to be any money penalty.

Mr. DOHERTY: This amendment is not introduced because of sympathy for automobile owners, but we have had brought home to us in the strongest possible way that the stealing of automobiles is exceedingly prevalent, and there is therefore greater cause for energetic measures to suppress crime that is prevalent than perhaps may be necessary in the case of offences that are of rare occurrence.

Mr. JACOBS: I suppose the committee will see that I am not the owner of an automobile.

Mr. DOHERTY: Neither am I.

Mr. JACOBS: Why not make the offence similar for those who steal a horse and buggy? We know cases of young men who steal an automobile for a joy ride, and the automobile is either brought back or left by the roadside. A magistrate may decide that as a case of ordinary theft and the young men will be sent down for one year without the option of a fine. The

latter portion of the section says that the sentence shall not be suspended without the concurrence of the Attorney General. Why should we interfere with the judge in the discharge of his duty to take into consideration the circumstances in each particular case? Surely we ought to have confidence in our judiciary.

Mr. DOHERTY: Under the law as it stands the judge has indefinite discretion to suspend. There are numerous other cases where he is not empowered to suspend sentence without the assent of the Attorney General. With regard to the question of the hon. member, why not make the penalty similar for the theft of a horse and buggy? —I have no reason to give except that I have already indicated, that there appears to be a special necessity to impress upon a large class of people who look upon the automobile as fair game the seriousness of what they are doing. I think it is generally recognized that one of the things you must consider in determining the degree of severity of punishment is the greater or less necessity for repression of the crime as evidenced by the greater or less prevalence of that crime.

Mr. JACOBS: Why should not the judge be given discretion in districts where the offence is not prevalent? If, for instance, in Toronto or Montreal, automobile stealing is prevalent, then the judge recognizing that fact sees that a heavy penalty is imposed. But take, for instance, the district of Three Rivers, where no such thing as theft is known—and some person falls from grace, a stranger to that district, the same sentence ought not to be meted out to the offender as would be the case in a district where the offence has become prevalent. I urge upon the committee that the courts should be given discretion to deal with these cases as in the past.

Mr. McGIBBON (Muskoka): I think we all ought to be in sympathy with the object which this Bill hopes to attain, but personally I do not think it is wise to enact legislation which is going to facilitate the branding of people as jail-birds. It is a serious thing for a man to be put in jail—more serious probably than many of us realize; and when you make the crime of stealing an automobile such that there is no option but for the accused to serve a term in jail, I think the sentence is altogether out of proportion to the crime. If he is there for only a week, he and his children are branded for the rest of their natural lives as jail-birds. I endorse the sentiment of the last speaker (Mr. Jacobs) that some discretion surely ought to be left to the judge in these cases.

Mr. THOMSON (Qu'Appelle): I think the remarks of the hon. member for Muskoka are quite in point, taken in connection with the fact that a great number of these automobile thefts are committed innocently. I do not think we should limit the discretion of a judge to consider favourable circumstances in the case of a boy who goes out for a joy-ride with somebody else's automobile. That is theft undoubtedly, and under this amendment he cannot escape with less than a year's imprisonment. I think the minister would be well advised to reconsider the section.

Mr. CURRIE: I have not a great deal of sympathy with the boy who takes an automobile and drives off with it! We have had those cases in Toronto. For the first year the magistrates treated them merely as joy-rides and let the boys off; from that the boys graduated to stealing cars, and finally they graduated into these bandits who are driving about the country shooting and robbing people. There have been half a dozen of these serious cases lately, and if you look up the records of the youths involved, some of whom have been sentenced to be hanged, you will find they were up before the magistrates in the first place on the charge of stealing automobiles for joy-rides. At first the magistrates and judges were all inclined to think that taking a man's automobile from in front of his house or store was like borrowing his garden rake or hose, but when somebody suggested that while the car was borrowed the borrower was using up the gasoline, and therefore stealing it, a conviction was obtained for the theft of the gasoline. Hardly a night passes in Toronto without there being four or five cars stolen. Cars are taken off by men who use them in connection with their operations in burglarizing banks and robbing the tills in the stores of merchants in small towns. The only way to stop a wave of crime of that kind is by drastic legislation. A nice little joy-ride is very often the first step toward a criminal career. A young fellow may take a car out, drive around in it for a while and then leave it where he got it; the owner comes out and wonders what is the matter with it. Then the next time a young fellow takes a car he gets drunk, perhaps, and smashes it. And all this time the law is saying to this fellow: Oh, you are all

right, we will not touch you. The gang of thugs that have been terrorizing Ontario is made up of boys some of whom are hardly out of their teens; and these fellows have been stealing automobiles for five or six years. A law of this kind will teach these people that they must leave motor cars alone, and you will find that much of this crime will cease.

Mr. LAFORTUNE: It seems to me that the penalties provided by this clause are not too severe. If it is established that the accused is guilty, sentence may be suspended as provided by the Act. The new section says that sentence shall not be suspended without the concurrence of the Attorney General or his agent or of the counsel acting for the Crown in the prosecution of the offender. That means, however, that if the judge has the consent of the Attorney General or his agent he may suspend sentence. The case will be carefully examined, and if it is evident that the sentence should be suspended, the accused can be given fair play. It will be ascertained whether or not the automobile was taken as a joke; everything in favour of the man will be examined into. As the hon. member for North Simcoe (Mr. Currie) has contended, the proposed amendment is not too severe. There are too many cases of stealing automobiles, and we must try to put a stop to it. I am in favour of this law; it is only just.

Mr. DOHERTY: I may point out to the hon. member for Qu'Appelle (Mr. Thomson) that if he got just such a case as he supposes then we would have section 285B to deal with. If it was established that the act was a mere boyish freak, the judge would have absolute discretion to go as low as he liked in the way of punishment.

Mr. THOMSON (Qu'Appelle): As a matter of fact it is theft though, according to the definition of theft in the Code, is it not?

Mr. DOHERTY: We must read the definition of theft, but we must read also the section dealing with special cases. I think it is generally recognized that a disposition dealing with a special case makes an exception to a general disposition. Section 285B says:

> Everyone who takes or causes to be taken from a garage, stable, stand or other building or place, any automobile or motor car with intent to operate or drive or use or cause or permit the same to be operated or driven or used without the consent of the owner shall be liable, on summary conviction, to a fine not exceeding $500 and costs or to imprisonment for any term not exceeding twelve months or to both fine and imprisonment.

I do not think, therefore, that there is any danger that the really harmless boy will get harshly treated under this law. I may point out that just the other day we were passing on a murder case in connection with which the first operation was the perfectly harmless thing that the hon. gentleman speaks of—the borrowing of somebody else's automobile for the purpose. I simply mention this more recent case; we have had several such instances. The borrowed automobile is becoming one of the tools of trade of the burglar and the hold-up artist. I hope hon. gentlemen will not allow themselves to be carried away with the sympathetic appeal of the odd case of a boy who may perhaps by mistake be convicted of stealing but who always has the opportunity of appealing to a very lenient and clement Solicitor General and Minister of Justice. I hope hon. gentlemen will not do that and forget the importance of impressing on the criminal population the seriousness of the offence of really stealing an automobile.

Mr. CAMPBELL: Are the offenders any more liable to be caught under the penalty provided in this Bill than under the present penalty?

Mr. DOHERTY: I do not think they are more liable to be caught. But the whole theory of the criminal law is that it deters people from committing offences by providing penalties and punishments.

Mr. CAMPBELL: It is the certainty of the punishment rather than the extent of it which deters.

Mr. DOHERTY: The certainty is of great importance, and we strive as far as possible to get it. But if you have certainty of punishment and the punishment itself is inadequate, you do not get very much effect. There is no disposition that we can put in this statute that will make it certain that the criminal will get caught; that we have to leave to the vigilance of those who are charged with the enforcement of law.

Mr. THOMSON (Qu'Appelle): If I were satisfied that the minister's interpretation of the law was correct, I would not object to the clause as it stands. I have a distinct recollection of prosecuting in a somewhat similar case under a section placed some time ago in the Criminal Code; perhaps the minister will remember it. I can-

not quote it exactly at the moment, but it refers to the keeping of stray animals. I raised the contention in that case that it was theft. The judge before whom I was acting, and who, I think, was one of the brightest judges we have ever had in Canada, expressed himself as absolutely clear that it was theft and that the man could be prosecuted for theft, notwithstanding that in this other section it is dealt with in another way. This is a repetition of what I have suggested. This judge may be wrong and the minister may be right; but I have grave doubt whether my right hon. friend is right, and, therefore, I do not like the clause as it stands. I believe, that strictly according to law, that boy could be prosecuted under this section, and he must be sentenced for one year unless the Crown prosecutor or the Attorney General agrees. I suppose it is likely that where a case is such as I have mentioned, the Crown prosecutor or the Attorney General would agree.

Mr. LAFORTUNE: Not agree, but recommend.

Mr. McMASTER: Concurrence.

Mr. THOMSON (Qu'Appelle): As long as there is concurrence, that is all that is required.

Mr. LAFORTUNE: Once a man is found guilty, the judge has no right to suspend sentence, but he has a right to consult with the Crown prosecutor or agent of the Crown, and then if the case is a fair one, the Crown prosecutor or agent of the Crown will recommend suspension of the sentence. The law is perfectly correct.

Mr. BUREAU: The hon. member (Mr. Thomson) is assimilating the crime of stealing an automobile with that of stealing a horse and buggy. There is all the difference in the world between the two. There are regular organizations of automobile thieves. They have places where they can take a car, run it into a garage, take the number off the engine, stamp on another number and get the car away to the United States. I had a case of a stolen car, and that car was found six months afterwards in a garage in New York where demonstrations were being made for technical schools. Automobile stealing is an organized trade, the same as that of counterfeiting. Insurance companies which insure automobiles against theft will tell you that it is the best organized system of robbery there is on the continent. It is spreading all the time. Another thing which my hon. friend forgets is that a man who steals an automobile is not going to loaf around the street corners; he goes full speed with it, and he may kill any one on the road. Therefore, by trying to stop this automobile stealing business, you are protecting human life. I am not in favour of too drastic measures, but this is an evil that is spreading. In the city of Three Rivers, I must say that automobile theft has come to be a fashion, not that the people of that city steal automobiles, but we have visits from people from Montreal. There have been automobiles stolen in Three Rivers, a distance of 96 miles from Montreal, and on a telephone message being sent to Montreal, two hours afterwards the automobile was traced in that city. That shows the danger to which men, women, children, horses and so on are exposed on the road between Three Rivers and Montreal. This is an evil that ought to be stamped out. If judges are too kind-hearted, we might bring in the Attorney General or his representatives, of whom we have two worthy ones in this House, and we have had an expression of views from one who, for a number of years, has been a representative of the Attorney General in Montreal. We can trust such officials as they are to see that justice is meted out and that no injustice is done. May I add for the information of the hon. gentleman, that in the Criminal Code there is a provision that for stealing a cow a man is liable to go to penitentiary for fourteen years?

Mr. McMASTER: Not to exceed fourteen years.

Mr. BUREAU: I know that, and he cannot run away with a steer so fast as to endanger the life of people along the road very much.

Mr. STEWART (Hamilton West): Coming from a city of the size of Hamilton in which automobile stealing is prevalent, I would be neglecting my duty if I did not say a word or two in regard to this legislation. We have a provision now by which those who steal automobiles may be hauled up and fined, and sent to jail if they do not pay the fine. There is five times as much stealing of automobiles as there was a year ago, and this crime is increasing very rapidly. I have an automobile which I keep in a good barn at the back of my house. I have had the panels pulled out of the door twice while I have been in bed

and the police have chased the thieves away. It is pretty nearly impossible to keep a $5,000 or $6,000 automobile without scalawags trying to break in one's doors to get it away. It is absolutely necessary that something should be done to stop these people from doing that sort of thing. We are neglecting our duty if we do not change the law, and I think that if the law provided that automobile thieves could be lashed, we would put more terror into them.

Mr. McMASTER: This is a very bad clause. I have no objection to the penalty being increased if the law is not severe enough; but to pass a statute which says that a judge, no matter what the circumstances may be, shall not have within himself the right to suspend sentence or to give a sentence of less than a year, seems to me a serious reflection upon the judiciary of the country.

Mr. BUREAU: A judge in certain cases must sentence a man to be hanged.

Mr. DOHERTY: In cases of stealing from the post office or the mails, a judge has to give not less than three years.

Mr. McMASTER: Probably the same argument which I make here would apply to that.

Mr. DOHERTY: This is not a solitary case.

Mr. McMASTER: That would not affect my argument, which is that you will not deter people from crime by providing heavy penalties. When there was, on the statute books of the Old Country and probably of this country, the death penalty for half a dozen or a dozen crimes, there was more crime than there is now. When a man could be hanged for sheep-stealing, sheep-stealing was more common than it is to-day. It is not the severity of the penalty; it is the certainty of the penalty that is required. This is a move in the wrong direction. Let people who steal automobiles be punished as severely as the judge with whom the application of the law is left deems best, but do not tie the judge's hands in a case which may easily come up where a light sentence should be imposed. Let me give a specific instance, an imaginary case, a hypothetical case.

Sir GEORGE FOSTER: Keep to the old word "imaginary."

Mr. McMASTER: All right, I will imagine this case. A young man, the only support of a widowed mother, steals a car. He just wants a joy-ride. He is caught. He repents. He is really sorry.

Some hon. MEMBERS: Oh, oh.

Mr. McMASTER: People repent sometimes and are really sorry. A judge, convinced that the young man is really sorry, might think it wise to impose a penalty much lighter than a year's imprisonment, but under this provision his hands are tied unless he gets the consent of the Crown prosecutor. I believe this clause is a mistake and that it will not have the desired effect.

Mr. CURRIE: The hon. member for Brome (Mr. McMaster) touched the very point when he said that what is required in the law is the certainty of the penalty. That is what we are providing here. I have in my mind at the moment, magistrates who for months and years would not fine because they would never get into an automobile themselves; they looked upon them as gewgaws, something outrageous, that people should not have—they themselves would rather walk to the court. If an automobile got smashed up, that was all right; it was something that was not necessary in the first place, according to these magistrates. Now we must prevent the idiosyncrasies of the judges from interfering with the penalty in this way. We must have a fixed penalty, and that is what the law is providing. I think the law is a good one, and the hon. member who has just sat down has given us the very reason why we should pass the section.

Mr. BUTTS: I have always been very much opposed to this idea of leaving it in the power of the judge to pass a sentence with his right hand, and to suspend that sentence with his left. I know of a case right down in my own part of the country, in the constituency of my hon. friend across the harbour, the hon. member for North Cape Breton and Victoria (Mr. McKenzie), where a young man was walking abroad in the streets of North Sydney with four suspended sentences upon his shoulders at the one time. One sentence was for stealing an automobile, another was for shooting his own brother through the lungs so severely that four doctors were required to save him. In spite of the four sentences that were on his shoulders at the one time, he was walking abroad just the same as any law-abiding citizen.

Mr. ARCHAMBAULT: What were the other two sentences?

Mr. BUTTS: Perhaps I had better not mention them, but if my hon. friend wants to know, the third sentence was for an attempt to commit rape. In spite of his four sentences, politics kept this young man walking the street.

Mr. ARCHAMBAULT: Shame!

Section agreed to.

On section 13—persons under 21 and guilty of theft liable to be spanked:

Mr. JACOBS: I should like to have from the minister his definition of the word "spanked" before we go any further.

Sir GEORGE FOSTER: My hon. friend ought to remember what happened to him in his youth.

Mr. JACOBS: It is so long ago that I have forgotten.

Mr. DOHERTY: I am sorry my hon. friend's memory is so short. My right hon. friend the Minister of Trade and Commerce or myself might be excused if we had forgotten, but not a young man like my hon. friend. The hon. member will find the information he wants on page 10. It is as follows:

(1) Whenever spanking may be awarded for any offence the court may sentence the offender to be once, twice or thrice spanked within the limits of the prison, under the supervision of the medical officer of the prison, or if there be no such officer, or if the medical officer be for any reason unable to be present, then, under the supervision of a surgeon or physician to be named by the Minister of Justice in the case of prisons under the control of the Dominion, and in the case of other prisons by the attorney general of the province in which such prison is situated.

(2) The number of the strokes shall be specified in the sentence; the offender shall be spanked upon the bare buttocks; and the instrument to be used shall be a leather strap not longer than eighteen inches or wider than two and one-half inches or narrower than one inch or thicker than one-quarter of an inch.

(3) No female shall be spanked.

Mr. JACOBS: Now that women have the vote, I do not see why they should be deprived of this privilege.

Mr. DOHERTY: If the hon. member chooses to move an amendment we shall be pleased to consider it.

Sir GEORGE FOSTER: I would like my hon. friend to cut that section out and keep it in his vest pocket.

Mr. BUREAU: I had understood that spanking was slapping with the open hand, but I find by the dictionary that to spank is:

to strut, to stalk; comp. Sc. Spang, to leap.

Mr. EDWARDS: That is French.

Mr. BUREAU (reading):

to move with a quick lively step:

That is not French. It may be Irish:

to slap or smack, as with the open hand.

The latter is what I understood spanking to mean, but it seems that we are going to go back to the Middle Ages and use leather straps of a certain width and length on the bare buttocks. That is something that I thought pertained only to animals, so I took the trouble to look it up in the dictionary, and I find this:

Buttock, the rump, or the protuberant part of an animal behind.

I did not know that by legislation we were seeking to consecrate the protuberant part of an animal behind to human beings. But, leaving aside the dictionary definition, Mr. Chairman, I think it is ridiculous legislation to provide that a boy of twenty, who is pretty well grown, and very often well developed, should be put across a man's knees and spanked. I do not think we ought to put such legislation upon our statute books. It is taking us back to the Middle Ages. We might just as well erect stocks in our public squares and have people fastened down to them to be insulted by every passer-by. I think it is ridiculous legislation. I am in favour of whipping for rape. I think that is the greatest crime; I think it is much worse than murder for a man to take hold of an innocent girl and assault her; I am in favour of whipping for that offence, but not for theft. In England in the old days they used to hang a man for stealing a sheep. We do not want to go back to those days, but here we are starting to spank boys of nineteen and twenty years of age for theft. I say that we might just as well go back to the instruments of tortue in the olden days. I am opposed to this section. I do not say that it was inspired by hysterical persons, as my hon. friend from George Etienne Cartier (Mr. Jacobs) has suggested, but it is certainly hysterical legislation.

Mr. JACOBS: If we pass legislation dealing with the rump, we shall be under the imputation, it seems to me, of being a Rump Parliament. This is what we might call the Joker in the entire Bill as presented by the minister. I think it is beneath

the dignity of Parliament to declare that people up to twenty-one years of age shall be spanked. We have had in this Parliament men twenty-one years of age, and under this section they would be liable to be taken out and spanked.

Mr. DOHERTY: Perhaps they deserved it.

Mr. JACOBS: I have not had the long parliamentary experience that my hon. friend has had. The definition of "spank" in the dictionary I have before me is this:

To strike with the open hand, as to spank a small boy.

That is practically what it is. We have all of us had spanking in our early days—some of us not as often as we should have had perhaps, on the principle that if you spare the rod you spoil the child—but I cannot understand how a rule of this kind, inserted in our criminal law, is going to help the situation. If a boy is guilty of stealing, he ought to be dealt with as a thief. The younger boy under sixteen is sent to the reformatory under the Juvenile Delinquents Act. We have a system in our law whereby children under a certain age may not be tried in public, but in private by a Juvenile Delinquents Court judge, and they are thus removed from the bad influences of police or general criminal courts where older offenders are tried. It is the tendency of newer legislation to bring these children up by kindly methods, and to make them see the error of their ways, treating them generally in such a way that their outlook upon the world will be of an honest and kindly nature. But to take a boy to prison, and give some person other than his father or mother the right to punish him by applying the rod in a prison yard, seems to me, as my hon. friend from three Rivers (Mr. Bureau) says, to be going back to the old days. We should change our views in the matter of penalties to be imposed upon criminals, particularly young boys, and I for one am not in favour of this legislation. I should be inclined to ask the committee to strike it out.

Mr. LAFORTUNE: I would suggest that the punishment be made applicable to the second, instead of the first, offence.

Mr. DOHERTY: I say, in response to hon. gentlemen who talk about going back to ancient days—

Mr. JACOBS: The Middle Ages.

Mr. BUREAU: They may be flogging returned soldiers at that rate, for some unfortunate offence, if the age is fixed at 21. The thing is brutal.

Mr. DOHERTY: I had expected that if there was a fault to be found with this legislation, it would be as respects the novelty of the punishment for the offence. Punishment that involves nothing in the nature of keen physical suffering people have found very amusing, and a subject to be facetious about, and that is the great value of it. If you take the budding embryonic Jesse James, who is out to be a hero among his fellow youngsters, and send him to a reformatory or a gaol, to associate with criminals, and he comes back and tells his tale, he is a hero—

Mr. ARCHAMBAULT: Ti-Noir Desjardins, for instance.

Mr. DOHERTY: Let us keep to the particular case—but if he comes back with the glorious story to tell, that he got a spanking, then he is not a hero among his companions; and I think that the real value of this punishment is that it takes the dignity out of the profession of crime. I have an estimate of the application, more or less legal, of the results of this sort of punishment in quite a number of cases, under the order of a judge who has dealt very largely with that class of criminals, and he has certified in the strongest terms that it is most effective.

Mr. BUREAU: Where is this spanking in force?

Mr. DOHERTY: In Ontario; it has been done, as I said, more or less legally.

Mr. GORDON: Illegally.

Mr. DOHERTY: Well, more or less illegally, then; perhaps more illegally than legally. But what we are concerned with is its effect in dealing with juvenile delinquents. I do think it is a matter of first importance to make them realize, in their earlier years, that there is no glory to be got out of crime, and I think that the real value of this legislation is that it does put these children—and after all they are only children—in the position of being ridiculous in the eyes of their companions.

Mr. JACOBS: It brutalizes them.

Mr. DOHERTY: Brutalizes them? Why, I may say that in my school days boys were strapped, and I hope, at least, that we were not brutalized thereby.

Mr. GORDON: There was good reason for it then.

Mr. DOHERTY: Well, we are assuming, in the present case, that the punishment will be applied only when there is good reason. I do myself, in all earnestness, think that this would be a very useful adjunct to present methods of correction. It involves nothing that could brutalize any one, and after all, it is a means of correction that has been applied from time immemorial to all the children of succeeding generations.

Mr. LAPOINTE: By the State, or State officials?

Mr. DOHERTY: Not necessarily by the State, or State officials, but it has been applied in the educational systems of different countries for long periods of years.

Mr. LAPOINTE: It has been abandoned by most countries.

Mr. DOHERTY: Personally, I think it is a question whether it was an improvement to give it up. At all events, however that may be, a punishment of this kind, which inflicts no real physical suffering of any gravity, but does bring the child to realize that he is being treated like a foolish child, and not like an heroic defier of the laws of society, would be a really great advantage, and in addition I have the testimony of the results of its application, coming from a judge for whose opinion I have great respect. I submit the clause to the consideration of the committee. For myself personally I believe it to be a good clause, and one that sooner or later, when this committee has got more accustomed to the proposal and has thought it over a little more quietly, will come to be the law of the country, to its great advantage. I am not disposed to insist upon it if the committee thinks that it comes too suddenly and is not prepared just yet to pass it; nor shall I insist on maintaining the age fixed at 21. If it would make it more acceptable, I would fix the age at 18, at which children may be treated under the Juvenile Delinquents Act.

Mr. JACOBS: The minister knows very well that we are adopting now, in the treatment of juvenile delinquents, a method of kindly treatment. He knows that we try to make them realize that they are of some use in this world even though they may have fallen, and that there is an opportunity for them to rise. Contrast that with this system of half-flogging, taking a young boy into the prison yard and having the sentence inflicted by the gaoler or some person under his instructions. It is a most brutal suggestion, and I am surprised that a kindly-hearted man like the Minister of Justice should promote legislation of this kind in this House.

Mr. GORDON: For the last fifteen or sixteen years I have had a good many cases to defend in the Juvenile Courts. As the minister has said, there have been cases of this kind of treatment imposed upon young prisoners in the province of Ontario, usually, I think, with the consent of the father, the consent being obtained by the magistrate insisting that it be given. There is a precedent for this, as the minister has suggested. I think that probably this follows the old system of whipping at the cart's tail; and there was another method adopted at the same time for the same class of offence, that of standing the prisoner in the pillory, and putting a split stick on his tongue until sunset. And this is just about in the same class as that legislation. Now, I submit that it is a dangerous thing—particularly with a first offender—that a young boy, perhaps a timid, frail, nervous youngster, should be slugged by some big burly policeman with his belt and buckle, and everything that is attached to it, while the rest of the policemen stand around and view the exhibition. I think it is something we should not do. It does not seem to be fair and just, in view of the public feeling that has been aroused and has culminated in a sentiment as a result of which boys are now treated in a different way. Even if formerly a ball and chain was attached to their ankles, nowadays they are given the benefit, if it is at all possible, in the case of first offenders, of a suspended sentence; then afterwards if it is shown that the efforts to save them have been fruitless a more rigorous treatment is carried out. I for one, after some fifteen or sixteen years of criminal practice, such as you would have in an Ontario city, must say that I think this legislation is being asked for chiefly by the Chief Constables Association of Canada. We have heard it advocated, and I am altogether opposed to it. I think public opinion is opposed to such treatment, particularly in the case of a first offender. It appears to me that we are descending to a point that cannot be justified in view of what the people think at the present time. The effort should be made to make the young boy better, instead of humiliating him and making him feel discouraged, and that he has nothing to live for. Because he will feel that way after

an ordeal such as this, which is half-brother to the cat-o'-nine-tails system.

Mr. DOHERTY: I would have no objection to limit the clause to second offences and reduce the age to eighteen. Nevertheless I do not at all share the view that there is anything inhuman, or anything cruel, or anything brutalising in this punishment. I would like to point out to the hon. gentleman who has just sat down that he has given a very unfair description of what is proposed to be done. The section specially provides to make impossible such conduct on the part of the "brutal constable" with his "belt and buckle," and all the rest, surrounded by other brutal policemen.

Mr. JACOBS: The constable will wield the strap.

Mr. DOHERTY: He will wield the strap but he will do it under the supervision of qualified physicians named precisely for the purpose. Every protection will be taken to see there is no brutality. I am quite willing to admit that there is argument to be made against this proposition, but it is beyond me to realize how arguments can be based upon the suggestion of brutality. That, I think, is carrying the thing very much too far. There is room for difference of opinion, that I am prepared to concede. However, I am not disposed to insist on passing this legislation at the present time, because it is a new proposal; but I have confidence that when people will have given a little reflection to it,—and eliminated from their minds the effect of the pictures we have had to-day of a condition of affairs that will never exist under the law if it is passed—it will have a better reception. Under the circumstances I beg to withdraw the clause, and that also involves the withdrawal of clause 28.

Motion agreed to, clauses 13 and 28 withdrawn.

On section 14—marks used on public stores.

Mr. McKENZIE: What is the affect of that?

Mr. DOHERTY: There are in the section a number of marks indicating the property of the Militia Department or other departments. The marks "P. W.", for example, indicate the property of the Public Works Department.

Mr. McKENZIE: Why should the marks on public property be a matter that must be dealt with in the Criminal Code?

Mr. DOHERTY: It is for the purpose of enabling them to be identified. The legal affect of the section in question has not been modified in the slightest degree. There is only one additional kind of mark. The provision is that the marks specified in this section in that behalf may be applied in, or on, any public works to denote His Majesty's property in such stores. There is a provision as to unlawfully applying these marks, a provision making it an offence to obliterate marks from public stores, and a provision making the unlawful possession, sale, and so forth, of public stores bearing these marks an offence. The effect of this is merely to give to the stores of the Public Works Department the same protection that the law already extends to Government property in connection with other departments.

Section agreed to.

On section 15—three card monte, etc., forbidden.

Mr. JACOBS: I understand that this legislation is the result of a judgment handed down by a judge of our Court of Appeal?

Mr. DOHERTY: Yes. It reproduces the provisions of a Bill introduced by the hon. member for Jacques Cartier (Mr. Lafortune) and deals with what is a growing evil to-day in the city of Montreal. As the result of a judgment of the courts, that under the law three card monte was not per se a gambling game, all the experts in three card monte have swarmed into Montreal and they are really pillaging the unsuspecting citizens of that town at a rate that is something appalling. I do hope —in order that I may be able to return home in safety with my hon. friend from Jacques Cartier and my hon. friend from Georges Etienne Cartier (Mr. Jacobs)— that the House will pass this section.

Mr. CANNON: What would be included in the term "any similar game"? And who would decide?

Mr. DOHERTY: The court will have to decide.

Mr. CANNON: The provision against playing three card monte or inducing other people to play is all right, but adding the words "or any similar game," is, I think, rather dangerous and leaves it to the interpretation of any judge whatsoever. He would have to be a card expert, otherwise his decision would not be of much value.

Mr. DOHERTY: I understand that the principle of three card monte consists in a sleight-of-hand trick which may be operated just as well with other things as with cards. I may say that I was under the necessity of calling upon a very distinguished member of this House to give me an illustration—

Mr. JACOBS: May we have his name, please?

Mr. DOHERTY: —in order that I might be inspired with a proper horror of the game. As I understand, what is sought to be struck at is not only this particular game with cards, but any game on a similar principle which involves betting upon a guess which a man makes as to the result of some sleight-of-hand trick. I would not think that the court would find it very difficult to determine what under those circumstances was meant by a "similar game." It is absolutely impossible of achievement to try in advance to define all the possible ways by which that kind of swindle can be carried on.

Mr. McKENZIE: Why does not the minister make the game criminal wherever it is played?

Mr. DOHERTY: The supposition is, of course, absolutely impossible to entertain, but suppose my hon. friend and his neighbour and myself chose to sit down in the quiet of his home and fool away our time in guessing at each other's endeavours to place the cards here and there, I do not see what evil would come to the public. What we are trying to repress is the evil of playing this game in public places and so inducing others to participate. I may say that the provision was drafted by my hon. and learned friend from Jacques Cartier (Mr. Lafortune) who has had a long experience in the criminal courts and has had an opportunity of familiarising himself with this trouble in the city of Montreal. If we can make provision against the public carrying on this game we will have struck at an evil that calls for repression. We have no evidence that there is any need of interfering with private amusements.

Section agreed to.

On section 16—penalty of whipping for robbery and assault with intent to rob:

Mr. DOHERTY: I have had this particular provision urged on me from numerous quarters because the crime of robbery with violence is increasing with alarming rapidity, and not infrequently it results in the death of the person sought to be robbed. It has been impressed upon me by authorities in different parts of the country that we should endeavour by every means to repress that particular form of crime. It has been pointed out, although I have not been able to verify the figures, that in the adjoining states where a similar law has been consistently applied good results have become apparent.

Mr. JACOBS: While I do not wish to oppose this clause, I must express my disapproval of extending this severe punishment any further. I understand that under the law garroting is punishable by whipping, and I suppose robbery with violence may be considered a similar offence. I would point out to the minister that in the case of section 13, which was dropped, we were proposing to sentence young thieves to be whipped, and now under this section when they become older thieves they are to be flogged. Both sections seem to be steps in the same direction.

Mr. DOHERTY: The youngsters were only to be spanked; these thieves are to be whipped.

Section agreed to.

On section 17—fraudulently burning any chattel over $25 in value:

Mr. JACOBS: What has occasioned the insertion of this section?

Mr. DOHERTY: It is at the request of the Attorney General of Ontario, who points out that the crime of arson can only be committed with regard to the burning of something in the nature of real property. There does not seem to be any good reason why it should not be susceptible of being committed by the burning of chattels or movable things. I think the cases that specially brought it to his attention were the burning of automobiles.

Mr. JACOBS: Burning the mortgage of a church when the debt is paid off, for instance.

Section agreed to.

On section 18—penalty for injuring, etc., oil well extended to gas wells:

Mr. DOHERTY: This is simply applying to gas wells the section which already applies to oil wells.

Section agreed to.

On section 19—docking animals forbidden:

Mr. JACOBS: That is a most unusual clause.

Mr. DOHERTY: These three sections, 19, 20 and 21, all have to do with cruelty to animals. They are introduced at the suggestion and very earnest request of the various societies for the prevention of cruelty to animals. They have been submitted to the careful consideration of the professional men in the Department of Agriculture and meet with their approval. It may further be said that their effect is in some measure to bring our provisions with regard to cruelty to animals up to date, if I may use the expression. At all events, these amendments put us on a level with the progress that has been made in recent years in Great Britain and in most of the other Dominions in regard to such legislation. I think any one examining our present provisions will find that they hardly come up to what in the judgment of the present day would constitute cruelty to animals. While I have spoken of these clauses as urged upon us by the Society for the Prevention of Cruelty to Animals, I may say that they do not by any means grant all that was asked. We have tried to avoid extremes and to content ourselves with putting our legislation on a footing of equality with the legislation prevailing in the countries to which I have referred.

Mr. JACOBS: I am surprised to learn that legislation of this kind has originated in Great Britain. I know it is a habit in England to have the tails of horses docked. I can understand that the provision may have been suggested by the Society for the Prevention of Cruelty to Animals, but I would point out that sometimes societies of that kind are not to be relied upon; they often allow their hearts to run away with their heads. Is the minister in a position to say when this law was introduced in Great Britain?

Mr. CLARKE (Wellington): Would this provision interfere with the docking of lambs' tails, an operation which is carried on in the spring on pretty nearly every farm in the country?

Mr. DOHERTY: I find that the animals to which the present provision of the Act applies are "any dog, bird, beast or other animal, not being cattle", etc. In the definition of "cattle" I find that the term includes "any horse, mule, ass, swine, sheep or goat," and so on. Apparently "cattle" does include "horse;" therefore, as cattle are excluded from this section, it would not apply to horses.

Mr. JACOBS: Then horses may be docked under this new legislation?

Mr. DOHERTY: There is no prohibition.

Section agreed to.

On section 22—metal tokens used as money forbidden.

Mr. JACOBS: What is the meaning of this provision?

Mr. DOHERTY: I understand the purpose is this: the existing sections had the effect of prohibiting the issuing of coins having a money value or redeemable in money. This is to extend it to the issuance of coins redeemable in goods.

Mr. JACOBS: Has any abuse existed which makes it necessary to have new legislation on this matter?

Mr. DOHERTY: The legislation is asked for by the Finance Department. I fancy they must have found necessity for it in connection with their dealing with the question of coinage generally.

Mr. MORPHY: It seems to me that part of this clause is rather confusing and hard to understand. It says:

> Provided, however, that such intent shall not be necessary to constitute such offence in case such coin or token is made or issued with the intention (the disproof whereof shall lie on the accused) of entitling the holder thereof—

Meaning, I assume, the person who is disposing of the false token.

> —to receive therefor, to the extent of the value denoted thereon, goods or merchandise from the person so charged as aforesaid.

Well, suppose that the person parted with a false token denominated in value $5 and got half that value in goods, the crime would still be there but it is not provided for. If I understand the clause aright, before a crime could be committed, one would need to have the exact value of the goods represented by the token. I should like the minister to say whether or not the section would not be abortive without some further amendment.

Mr. DOHERTY: I would not be quite disposed to agree with the hon. gentleman's interpretation. If a coin, or certificate, or any document entitles me to obtain "to the extent of", that puts a limit to what I can possibly obtain, but within that limit I may obtain by it anything less. As regards the words:

> Of entitling the holder thereof to receive therefor, to the extent of the value—

The question is not what he actually gets ultimately; the question is whether

this is a coin which entitles "the holder thereof to receive therefor, to the extent of the value denoted thereon, goods or merchandise." It will not be affected by the question whether he gets goods or merchandise to the whole amount. If the coin itself entitles him to get goods to the extent of $5, then the issuing of it is an offence without regard to whether he succeeds or not in getting that amount.

Section agreed to.

On section 23—reading deposition on preliminary inquiry.

Mr. JACOBS: What change is made by the proposed new section 684? It seems to be our law at present.

Mr. DOHERTY: The new portion of the first subsection consists of the words:

If the evidence has not been taken in shorthand—

Section 684, as at present, applies the same rule without distinction whether evidence has been taken in shorthand or not. This amendment makes the rule applicable only when evidence has not been taken in shorthand. This is to obviate the inconvenience, when evidence is taken in shorthand, of reading over from the shorthand notes all that has been said. It is to be remembered that we are dealing with a case of evidence taken in the presence of the accused.

Mr. JACOBS: When evidence is taken in shorthand before the courts in Montreal the case is enlarged for two, three or four days until the evidence is written out. Then the prisoner is asked to plead.

Mr. CANNON: Where a preliminary investigation is taken, either by a judge himself or by some one else in longhand, the depositions can be signed and the judge can give his decision immediately. When the depositions are taken in shorthand, they have to be transcribed and signed, according to the law, before the judge decides whether there is ground or not for trial, whereas, now, according to this amendment, the decision can be given immediately before the notes are transcribed.

Mr. DOHERTY: I understand the reading over which is in contemplation is the reading over which would take place when a man is called upon to say whether he has anything to say.

Mr. CANNON: The evidence is not read over when it is taken in shorthand.

Mr. DOHERTY: The effect of this will be to dispense with the necessity of reading over the evidence where it has been taken in shorthand.

Mr. JACOBS: The second part of the section does not seem to change in any way whatever the old rule with regard to the words to be addressed to the prisoner.

Mr. DOHERTY: The only reason for the second subsection being inserted, as I understand the matter, is that it has come to be the practice, when you amend a section, to repeal the whole section and to substitute the amending section. There is some trifling alteration, I am informed.

Mr. McKENZIE: What is the change in the first subsection? It looks like the old law to me.

Mr. DOHERTY: We have inserted in the subsection the words "when the evidence has not been taken in shorthand." Under the existing provision, whether evidence was taken in shorthand or longhand, it is required that before the prisoner is called upon to plead, the evidence shall be read over to him. There is a purpose in that reading over where the evidence is taken, not in shorthand, but in longhand, because I understand then the prisoner is called upon to sign the deposition.

Mr. JACOBS: He is asked "having heard the evidence", and he has not heard the evidence.

Mr. DOHERTY: He has sat in court and has heard the evidence.

Mr. JACOBS: When he has sat there, yes.

Mr. DOHERTY: When evidence is taken in shorthand, it is quite impossible that he should be asked to sign the shorthand notes.

Mr. McKENZIE: The law provides now that he need not sign if the evidence is taken in shorthand.

Mr. DOHERTY: Then, what is the purpose of reading it all over to him? He has sat there and listened to it all. This is simply, as I understand it, to obviate the necessity of going through an operation that produces no useful results.

Mr. McKENZIE: What is the law now?

Mr. DOHERTY: The law now is, that whether the evidence be taken in shorthand or longhand, it must be read over, unless with the consent of the accused.

Mr. McKENZIE: In my experience, I have never met with any difficulty at all. We always got along splendidly. The notes

were taken down in shorthand, and there seemed to be no trouble about the matter. Perhaps we took too much for granted in not requiring the reading over of the evidence when taken in shorthand.

Mr. DOHERTY: Unfortunately, the law as it stands requires that. Perhaps it is observed in some places and, perhaps, in others people, seeing the futility of the law, do not try to observe it. I confess I am not familiar with the proceedings in the particular situation that is in question. My learned friend from Dorchester (Mr. Cannon) who has, I think, considerable experience in the carrying on of criminal cases, and my learned friend from Jacques Cartier (Mr. Lafortune) who also occupies the same position, might be able to put more clearly before the committee just what happens. What I understand to be the purpose of this modification was to produce this result: whereas at present, whether taken in shorthand or in longhand the evidence has to be read over if you want to comply with the letter of the law—

Mr. PARDEE: Is it not to avoid the trouble of a motion being made because the evidence had not been read over?

Mr. DOHERTY: Because the shorthand notes were not read over to the prisoner.

Mr. JACOBS: This only applies to depositions taken in longhand.

Mr. DOHERTY: The provision is that the magistrate without regard as to how the evidence is taken down, shall ask the prisoner whether he wishes the depositions to be read, and unless the accused dispenses therewith, he shall read or cause them to be read again. Where the evidence has been taken in shorthand, the magistrate now has to do that. The effect of this amendment will be to reduce the application of the section to cases where the evidence has been taken in longhand.

Section agreed to.

On section 25—prosecution for officers stealing fares to be tried summarily only with consent of accused.

Mr. JACOBS: What officers?

Mr. DOHERTY: Conductors, and so forth, stealing fares.

Mr. JACOBS: "Officials" is what is meant?

Mr. DOHERTY: Officials is probably the word that was intended. We had last year a special provision made for dealing with this offence of stealing fares, which formerly used to be dealt with under the statute which deals with receiving secret commissions. It was found that applying that law gave rise to great difficulty, and it was thought better to deal specifically with the offence of stealing fares. In dealing with it, a provision was made under which there might be a summary proceeding, but no provision was made as to who was to have the option as to whether the case should be summarily proceeded with. The purpose of this section is to give the option to the accused, which seems to be right.

Section agreed to.

On section 26—conviction of keeper prima facie evidence of premises being a disorderly house.

Mr. JACOBS: I am against this new rule being inserted in our legislation. I thought the old British rule was that a person is innocent until he is proven guilty. Here we are providing that it is only necessary to say that on one previous occasion the party was guilty, to give prima facie evidence that he is guilty a second time. That is a wide departure from the rule in criminal law, except in some special and particular cases. I should like to know why this new rule is sought to be introduced.

Mr. DOHERTY: I do not think the hon. gentleman has exactly seized the purpose of the clause. The effect of the clause is that where a party who is keeping a particular house is convicted of being the keeper of a disorderly house, that house will prima facie be presumed to be a disorderly house. We want to avoid this somewhat anomalous condition, where prosecutions are directed against one person for keeping a disorderly house, and against another person for being an inmate of that disorderly house. Surely when it has once been established on the conviction of the keeper that she is the keeper of a disorderly house, it does not seem an unfair thing that you should not have to begin all over again, when you start to prosecute a frequenter of that house, to prove that it is a disorderly house. There might be some exception if you were making it conclusive proof, but we are only making it prima facie evidence, leaving it to the frequenter to disprove, if he can, that it is a disorderly house.

Mr. JACOBS: It is contrary to the principle of our criminal law.

Mr. DOHERTY: Our criminal law creates a good many exceptions from the principle, and this seems to be a very rational one.

Mr. GORDON: The minister knows, I suppose, that frequently these houses are found to be such by the magistrate on character evidence alone, without any specific act ever being proven. That makes it very dangerous for persons who may be ignorant of the character of the house—for boarders or lodgers, for instance. Of course, it is a different matter with persons who are not there innocently. Convictions have been made right along —I think this is one of the cases where there is no election—on the evidence of a policeman, or perhaps two policemen, as to the reputation of the house. Upon that evidence the magistrate will impose a penalty, and give the house that reputation.

Mr. DOHERTY: This section does not affect the question of whether a person may or may not be innocently in a disorderly house. I do not understand that it would affect any right that now exists in a person found in a disorderly house to establish his ignorance or anything else which may justify him. This is limited exclusively to the question whether that is a disorderly house, and the effect of the enactment is to say that when it is once decided that that house is a disorderly house, then, when you have occasion to prove that with regard to some other individual than the one in whose case that question was decided, you will start with the prima facie idea that what was decided against the keeper of the house was well decided, and you will not have to begin all over again to prove in the case of a frequenter or inmate that it was a disorderly house. I would say that this was a very objectionable provision if it were to the effect that the conviction shall be conclusive evidence that it is a disorderly house, but it is only prima facie evidence. It is only a question of throwing the burden of proof on the party found in the house that has just been decided to be a disorderly house. The frequenter may rebut that, if he can. The cases in which this question arises are very numerous. A woman is arrested for keeping a disorderly house, and half a dozen girls and men are also arrested for being inmates of a disorderly house, the house being one and the same house. What happens is that you proceed to try the keeper, and it is absolutely essential to the conviction of the keeper that it should be decided that that is a disorderly house.

Mr. LAFORTUNE: It is open to the accused to prove the contrary?

Mr. DOHERTY: Yes. All that this does is to dispense with the prosecutor who has got a judgment that it is a disorderly house from beginning all over again to prove that it is a disorderly house when the case of an inmate or frequenter comes before him, and it leaves it perfectly open to the accused to disprove that it is a disorderly house, or to establish his ignorance, lack of knowledge, or anything else. That is all the effect it has.

Mr. JACOBS: But we are dealing with the disorderly house itself. My objection is that this reverses all the principles of our law, and I do not see why we should go out of our way in this particular case to do any such thing as that. We ought to consider these rules of law as sacred. They have stood the test of hundreds of years, and we should make no change now.

Mr. DOHERTY: This section says that when it has been proved that the house is a disorderly house, it will not be necessary to begin all over again and establish the fact once more. What universal principles that is overriding I must confess I am at a loss to know.

Mr. JACOBS: It shifts the burden of proof to the other side.

Mr. DOHERTY: When the Court has then and there decided that there is sufficient evidence that the house is a disorderly house, it is provided here that the Court will not have to begin over again, hear all the same evidence, and decide once more that the house is disorderly. But we say to any second person who is to be tried that if there is anything which he can put forward to rebutt that evidence upon which the Court has just found that it was a disorderly house, he can bring it forward and it will be heard. It is only a question of saving a useless repetition.

Mr. JACOBS: Sometimes these seemingly "useless repetitions" are very valuable.

Mr. DOHERTY: And sometimes a too rigid adherence to general principles involves hardship.

Mr. TWEEDIE: The objection I see to the section is this. A frequenter may be tried at one time, the person charged with

keeping a disorderly house having been tried the week before. The person charged as a frequenter may have had no knowledge whatever of the previous prosecution, And when he or she is brought up a week later to answer the charge of being a frequenter of the house, without any knowledge whatever of the former proceedings, there is thrown upon that person the burden of proving that the place in which he or she had been was not a disorderly house. The offences and the persons charged being different, there is a possibility that the hearings may be entirely separate, and a man charged with being a frequenter might have no knowledge whatever of what had taken place in connection with the prosecution for the keeping of the disorderly house.

Mr. DOHERTY: There is force in what the hon. gentleman points out. I do not think it turns so much on the point of different dates of trial, as on the question of the time at which the offence is charged as having been committed. I move to amend the section by adding at the end thereof the words:

As against any person charged with being or having been an inmate or frequenter of such house.

That is the case that is sought to be got at.

Mr. CANNON: I do not think that this provision should be enacted, because you might have separate trials.

5 p.m.

Mr. DOHERTY: The trials may be separate, but the amendment applies to offences that are all committed at the same time. I do not refer to the time of trial but to the time at which it is charged the offence was committed.

Mr. TWEEDIE: I do not agree with the amendment, because a person charged with keeping a disorderly house may have been convicted so often that he or she is ready to plead guilty and pay the fine. Such a person might not be keeping a disorderly house at all, but possibly might want to have some other person convicted of being an inmate of a disorderly house and so would plead guilty to the offence, and the person charged with being a frequenter is not entitled to take any part in the proceedings against the person charged with keeping the disorderly house. He is not a party to the prosecution; he cannot open his mouth, or direct the course of the trial; and the evidence upon which the fact of keeping the disorderly house is established may be flimsy in the extreme. But the person charged with keeping the disorderly house will plead guilty, and then the alleged frequenter is bound by the evidence in those proceedings; whereas, if he were a party to the prosecution, he might be able to set up facts which would entirely disprove, at the time of the prosecution for keeping the house, that it was a disorderly house at all.

Mr. DOHERTY: I would agree with the hon. member, if we were holding the party who is charged as an inmate as being absolutely bound by the finding of the court. But we are not proposing to do that. We are leaving it absolutely open to him to submit every proof that he might have given had he been a party to the first trial. We are closing no door upon him at all. We are merely saying that we will not require the prosecution to bring again all the evidence upon which the court at that previous trial established that the house was a disorderly one. I think that any one who has had occasion to know anything about prosecutions for offences in connection with disorderly houses realizes that it is one class of offence that is surrounded with the greatest possible difficulty of proving the facts. I have not had much to do with that class of case, but I have had occasion to be present in court, when everything made it absolutely obvious that the house was a disorderly one, you had only to look at the people to know what kind of house they came out of, and yet there was great splitting of hairs before the court about the evidence as to whether the house was a disorderly house or not. And this is, not infrequently, in cases where a week before these same women and the same inmates, with regard to the same house, had been before the court, when all the evidence had been gone through and the court had then been satisfied that the house was a disorderly one. All that is sought now is to establish a prima facie presumption that will throw the burden of proof upon the people implicated. I hope that the amendment, worded in accordance with the suggestion of the hon. member for Calgary (Mr. Tweedie), will be accepted, for I do not think it is objectionable.

The CHAIRMAN: Mr. Doherty moves to amend section 26 by adding at the end thereof the following words:

As against any person charged with being or having been at the same time an inmate or frequenter of the said disorderly house.

Mr. JACOBS: Who asked for this legislation?

Mr. DOHERTY: It came from the people who have charge of prosecuting cases of this kind in the city of Montreal.

Mr. CANNON: The Minister of Justice told me he intended to have that amendment applied only in cases where several people were arrested at the one time, and then if the proceedings at the first trial were against the proprietor and he was convicted of being the owner of a disorderly house, that conviction could be used against the other prisoners as being prima facie evidence that the House was a disorderly house. I may be mistaken but from my reading of the amendment it does not mean that. It means that the conviction could be used against any person charged with being an inmate of that house two months or six months afterwards.

Mr. DOHERTY: I think that, subject to the criticism of my hon. friend the new wording I have drawn will make clear what we are all agreed we want to get. That is if we add to the clause the words:

as against any person charged with being or having been at the same time—

Now I think that can only refer back to the same time at which the keeper was found to be the keeper—

—an inmate or frequenter of the said disorderly house.

I think what we want to get at is this. It is found that this woman was on July 15, the keeper of a disorderly house because she kept that disorderly house. If it be proved that John Jones on July 15 was in that house you do not need to prove again that it was a disorderly house. I think the words I have drawn mean that. If it can be made any more clear I shall be glad to accept any suggestion that will produce that result.

Mr. McKENZIE: Although I hate to take up the time of the House, I ask a moment to suggest that it is a dangerous principle to introduce into the criminal law to take for granted that any trial, or any decision, at which the prisoner was not necessarily present, or to which the prisoner was not necessarily a party to, should be a basis for his conviction in a subsequent trial. I think the whole proceedings of his trial from the bottom up should take place in his presence. In this case we are taking for granted that some trial at which he was not present at all, and of which he did not necessarily have any knowledge, shall be the basis for his conviction. I am entirely opposed to any system of criminal law, under which the whole business as to the man's criminality shall not be tried and threshed out once and for all in the presence of the prisoner.

Mr. PARDEE: Is there any very great reason why this section should be put in? I thoroughly agree with what the hon member for North Victoria (Mr. McKenzie) and the hon. member for Dorchester (Mr. Cannon) have said. It appears to me to be a most unfair phase of criminal law, if I may use the expression, that you should make a man liable for something he never had a chance to prove himself innocent of. Innumerable instances would arise where the whole thing may be proved to have been planned against some one for some particular purpose. The proceedings under which that man is found guilty of the offence may be conducted in his absence and the throwing upon him of the onus of proving his innocence is wrong in law.

Mr. DOHERTY: May I point out it is not said that the man is "prima facie" guilty. All that is said is that this house is a disorderly house. It still remains to be proved that he was there, and that he was there at the time at which the convicted person was found to be the keeper of such disorderly house. Frankly it does seem to me that the absolutely strict adherence to principle with regard to offences of this kind, creates an almost absolute impossibility of getting a conviction, notwithstanding the fact that it is a matter of public notoriety that these establishments exist and that people do frequent them. I confess I have difficulty in seeing that there is any such awful burden thrown on the man, without, as the hon. gentleman says, a chance of his disproving it. It is absolutely open to him to disprove it if he can. The only fact involved is the presumption that that house is a disorderly house—everything else to be proved.

Mr. McKENZIE: Those are two definite and distinct offences. One person is tried for keeping a disorderly house. Very good. All the evidence necessary for proof of that offence will be produced before the court, and the person's guilt or innocence found as the evidence may show. That is one thing. Now you start with another man for being a frequenter of a disorderly house, a separate and distinct offence. In that case it is incumbent upon the Crown to prove that the house was a disorderly house in the first instance, and that, knowing it to be a disorderly house, this man

frequented it. Those are the two main points in his case. We must not suppose for one moment that the evidence is not ascertainable again. It is much better that there should be some burden of proof thrown upon the Crown and that they should be obliged to produce those witnesses who in the first instance were able to prove that this was a disorderly house. The case may be tried before another judge who has no knowledge of the first trial, yet under this law it would only be necessary for the prosecutor to produce a statement that some time ago—

Mr. DOHERTY: No, at the very moment.

Mr. McKENZIE: I do not care how long ago; that some time ago this woman was found guilty of keeping a disorderly house. Therefore we start with the premise that the accused frequented this disorderly house with knowledge that it was a house of ill-fame. For centuries it has been the principle that the onus is upon the Crown to prove that a man is guilty. Do not let us get away from that principle.

Mr. LAFORTUNE: When a man is brought before the court to answer the charge that he frequented a house of ill-fame the proof is made by five or maybe ten witnesses, in the presence of all the parties interested, and the court then pronounces that it is a house of prostitution. I am satisfied that this amendment is good, for it is not necessary to repeat the proof already given, and it seems to me that justice is done when the same judge in the same court has already received that proof. To recommence that proof would be a loss of time and a waste of money, and absolutely useless.

Mr. CANNON: If the amendment as proposed by the Minister of Justice meets the case explained by my hon. friend from Jacques Cartier there is no doubt it is absolutely correct and every hon. member will support it. But unfortunately I do not understand the amendment in that way, and I do not think the amendment to the amendment introduced by the Minister of Justice would meet that case. As it reads now the amendment is open to very serious criticism. As hon. members have already stated, we lay down the principle that an accused person may be presumed to be guilty, although under the general law, such a person is presumed to be innocent until proven guilty. If the minister draws his amendment to meet the case explained by my hon. friend from Jacques Cartier I shall have no objection whatsoever, although as I say, the amendment is open to very serious criticism.

The CHAIRMAN: The amendment now reads:

> As against any person charged with being or having been at the same time an inmate or frequenter of the same disorderly house.

Mr. McKENZIE: Being there is one thing and being tried is another.

Mr. DOHERTY: While I do not share the apprehension of hon. gentlemen, and while it does seem to me that the amendment in its present form nine times out of ten would be applied in cases which the hon. member for Jacques Cartier foresees, I have no objection to add the following:

> Where the persons so charged are tried or to be tried by the same court—

I cannot say at the "same time," because one person has to be tried after another, and it may take more than a day to try them all. But if we state there that they are to be tried "by the same court" I think we have done sufficient. After all, it is the affair of these inmates and frequenters, whether they chose to stay in court while the keeper of the disorderly house is being tried, and I do not think they are exposed to any very great danger.

Mr. McKENZIE: The Minister of Justice will see at once that if you say "the same court" it does not necessarily follow that it would be the same judge, because the personnel of the court changes.

Mr. DOHERTY: Under the circumstances I abandon hope of meeting the requirements of hon. gentlemen. I am satisfied that in amending the clause as I suggest I am going as far as a man can go. From the outset I concede that this involves an exception from the general principle. But our Criminal Code is full of exceptions from that general principle, and why this committee should be so excited with regard to this particular kind of offence and the class of people who get convicted of it, I am at a loss to understand. For instance, there exists an exception to the general principle that will make me liable to be convicted of stealing because stolen goods are found in my possession until I make proof to the contrary. I am exposed to that, and nobody gets excited. But that we should attach this importance to seeing that no presumption is created against a person charged with this class of offence, one of the most difficult to establish by direct and positive

proof—well, it seems to me regrettable that this Parliament should be so careful about this particular class of offender. I have tried to go as far as I possibly can to meet the suggestions and requirements. But, if the same court, even if it be not the same judge, has found with regard to the same house on the same day that that house was a disreputable house, I conceive that on the abstract theories and principles that is not res adjudicata against the inmate. If it was, we would not need a provision of the law to cover it. But there are cases where the absolute insistence on abstract principles have worked the most absolute injustice and the greatest failures of justice and have afforded no protection of people deserving of protection. I do feel that the words I have suggested are ample tc cover any possible grievance, but if they do not meet the views of those whose views I am trying to meet, personally I would not think they were necessary at all.

Mr. LAFORTUNE: If the accused in a case of this kind says that the crime was not committed; if he has other evidence to adduce or can make further proof, he is not prevented from doing so. It is a simple presumption, and if he wants to go into other proof he has a right to do it.

Sir GEORGE FOSTER: Now could we not have a vote? We have spent hours on this thing and we have had all possible explanations. Can we have it decided now, and go on?

Mr. McKENZIE: Is the closure applied? If so, I will have to sit down, but if not, then we have the right to discuss the matter. I do not understand why the Minister of Justice should take these amendments under his wing and hug them to his heart as if they were his own offspring and then get mightily offended if anybody says anything against them.

Mr. DOHERTY: I am not offended. If the hon. gentleman is under that impression he is greatly mistaken.

Mr. McKENZIE: I have been a great many years in the House of Commons with the Minister of Justice, sitting opposite him most of the time, and I can tell by this time when he is just a little hot under the collar, if he will permit me.

Mr. DOHERTY: Sometimes you tell it when it is not so.

Mr. McKENZIE: I notice that this is one of the cases where the right hon. gentleman is quite ready to browbeat us out of the House, if possible. Now, I have not the slightest sympathy with the subject matter that we are discussing. I would say to any Minister of Justice that if he wants to keep out of trouble, if he wants to avoid wasting time in this way, he will stand behind the grand old principles of the criminal law of England, one of which is that every subject is regarded as innocent until proved guilty, and it is up to the party who lays the charge against him to establish his case. That is an easy position for the Minister of Justice to take, and if he takes it nobody will find fault, but we have been tampering and tinkering and meddling with that principle in this House ever since I came here. We have been getting bolder all the time, and now this grand old principle is disappearing altogether. A man happens to be innocently in a house where he is taking a glass of whisky or a glass of beer, perhaps playing a game of billiards. After he leaves, the people who live there are found to be guilty of keeping a disorderly house, and six months afterwards that conviction may be put up against that man as prima facie evidence of his being a frequenter of that house. He may know nothing about it; he may have forgotten that he ever was there, but it is brought to his memory and that is prima facie evidence of his being guilty of frequenting a house of ill-fame. I say that in accordance with the principles of justice and fair play, in such a circumstance the whole case should have to be proved to the hilt. That is the principle I am fighting for; that is the principle I would always stand for. Why does any minister of Justice wish to tamper or interfere with the liberty of the subject? If we must be forced to swallow these things by a vote, as the Minister of Trade and Commerce (Sir George Foster) has suggested, or by closure, all right, but as long as we have the liberty of speech we shall take advantage of every opportunity to submit our views to cool-headed men who will pass judgment upon them as they would upon evidence.

Mr. JACOBS: I suggest that the clause be dropped.

Mr. MORPHY: I think there should be a limit to the time within which such prosecution should be brought. I rather agree with the hon. member for North Cape Breton that under the provision as it stands a prosecution might be brought any length of time afterwards and one charged with an offence under the section placed in a very unfair position.

Mr. DOHERTY: I am under the impression that there is a time limit for bringing prosecutions in regard to all offences of this nature.

Mr. MORPHY: I should think it should be shortened in this case. If the time limit is thirty days for ordinary cases it should be made five in this.

Amendment (Mr. Doherty) agreed to.

Section as amended agreed to.

On section 29—offender under suspended sentence may be placed on probation:

Mr. MOWAT: This is a new provision, and I think something should be said in regard to it. It introduces the principle of probation in addition to that of suspended sentence. As the law stands now, the magistrate or judge may give a suspended sentence, but the delinquent goes back to his old surroundings, and the attention of the public should be drawn to the change. Probation has been said by a writer to be "The greatest forward step in a generation in the rational and humane treatment of delinquents." I may point out that the advantages of probation extend not only to keeping the man away from his old associates but to giving him material help. In United States cities where this system has been tried, these are some of the advantages which they get from a probation system:

Finding new living quarters for the family.
Sending children to the country.
Securing homes.
Arranging for loans.
Teaching mothers how to care for their children.
Securing credit from landlords.
Improving housing and living conditions.
Securing legal advice.
Taking probationers to places of amusement and libraries.
Finding better boarding places; guaranteeing payment of board.
Securing salary increases.
Placing girls in trade schools for special training.
Having board of health improve sanitary condition.
Giving personal instruction to probationers preparing for examinations.

All these advantages have been found to come from adopting this system. Another statement which I might cite from the same author is as follows:

Probation is the outgrowth of a more humane spirit, of a better understanding of what society owes to those who go wrong. It is a realization that the debt is not all on one side, an appreciation of the fact that it is better to reclaim a man than it is to make a physical and moral wreck of him.

In New York this result has been found from the system of probation:

As to the results of probation, our records show that 75 per cent of all those placed on probation make good. Many lives that might have been marred have been remade by probation. Many youthful offenders who might have become confirmed criminals have been saved. Many homes have been rescued from destruction. Many women have been lifted from the depths of despair and millions of dollars have been saved to them and their little ones and the community which might have been wasted through prison sentences, loss of jobs and the consequent neglect that flows from incarceration of the family's bread winner.

That is the idea that pervades the principle of probation. By convicting a man or a woman, especially in the younger years, you may place them on the downward career towards crime. By sending them to a kindly but authoritative probation officer, if he brings into operation these ameliorating facts which I have spoken of, these people may be saved for society and society may be saved the expense of treating them continually as criminals. The idea has been studied by a judge who has now become an experienced and capable judge, being the senior judge in York County, Ontario, which has a very large criminal business. He has visited several different cities of the United States with a view of finding out how this can best be brought about and what are the advantages of the courts of probation in that country. Judge Coatsworth has, in a pamphlet presented to the Ontario Government, made a report on that and he comes out strongly in favour of probation. Another book on the Inferior Criminal Courts Act of the city of New York, which I have been sent by promoters of this idea and which is very large and which I will not quote from, shows how the system works there. This movement is supported by these societies of men and women who take up work voluntarily in the large cities especially, work which we ought to do, but which we do not do and which we leave to them. The list which I have here does not contain names of those of a class which I was sorry to hear described by an hon. gentleman here to-day as "hysterical women." These are essentially business men and women and they do an immense amount to help society in all kinds of community work. If the hon. gentleman who used that expression would realize that the use of such a term might deter any woman or man from continuing in this work simply because they are so described in Parliament, he would be the last person to use the term again. For the purpose of showing what a large number of persons are interested in this work and to draw the

attention of the public to the question of probation, I read a few of the fifty or sixty names in order to show that this system has the approval of them all:

Council for Service of the Church of England in Canada; Associated Catholic Charities; St. Vincent de Paul Children's Aid; Catholic Big Sisters; Catholic Big Brothers; Toronto, Catholic Women's League; Knights of Columbus, Toronto Council; Women's Auxiliary Church of England; National Council of Women.

Then there are the different societies of the Methodist Church and the Presbyterian Church.

Toronto Boys' Work Board; Canadian Boys' Work Board; Salvation Army; Big Sister Association; The Great War Veterans' Association of Canada; the Big Brother Movement, Incorporated; Federation for Community Service; Women's Patriotic League; National Boys' Work Committee, Y.M.C.A.

In view of the fact that these represent a class which, I say, are doing a most important work in citizenship in Canada, I hope the attention of the country generally will be drawn to this provision of probation which, I am glad to see, has the approval of the committee. I am sure the hon. member for Jacques Cartier (Mr. Lafortune) will bear me out in saying that this system of probation has been found to work well. As he knows what occurs in another city, I am sure he would approve of this provision.

Section agreed to.

Section 31 stands.

On section 32—commencement of Act:

Mr. LAFORTUNE: I think it is of great importance that this Act should come into force at once.

Mr. DOHERTY: It is usual in amendments to the Criminal Code to allow a certain period before they come into force, in order that the magistrates may become aware of the changes in the law, and have the statutes at their disposal, and so forth, and in order that people may have some chance not to get convicted before they have an opportunity of finding out what changes have been made in the law. There is however a pressing necessity that the amendment with regard to three-card monte come into effect at once, and I therefore move to withdraw section 32. The Bill will then come into force on the day it is sanctioned.

Section withdrawn.

On section 33—forms:

Mr. McKENZIE: Is any material change made in the forms?

[Mr. Mowat.]

Mr. DOHERTY: The change consists practically in this, that we are doing away with the necessity of repeating several times in the same instrument the name of the accused, for instance, the place he resides, and the place of trial. I may say that we are making this provision for simplified forms at the request of magistrates in Ontario who have pressed it upon us for a long time. The proposed changes have been carefully gone over, and I am assured by the Parliamentary Counsel that I am quite correct in saying that there is no substantial change. The changes are what I have mentioned, dispensing with unnecessary repetitions, and reducing the number of blanks that have to be filled up, with the name of the accused, the place of the offence, and matters of that kind.

Mr. McKENZIE: If my memory serves me, there is a provision in the Act that the forms provided in part 25 or forms to like effect shall be sufficient. Does that same provision apply to the new forms?

Mr. DOHERTY: These forms are purely permissive, in any event.

Section agreed to.

On section 1—definition of "feeble-minded":

Mr. DOHERTY: We had some discussion of this last evening. This is really an addition of a class of persons to the class of insane or idiot or imbecile persons provided for in section 219, and I am afraid that I would have to concede that the sentiment of the committee, so far as it was then expressed, was rather adverse to the acceptance of this clause. To be quite frank, I would have felt doubtful whether by the committee as then composed the clause would have been adopted. I do not know just what the frame of mind of hon. gentlemen who are now present is. Personally, I am disposed to believe that the provision is a desirable one, but it is a disposition of a class that I would not feel called to insist upon if the sense of the committee were adverse to it.

Mr. McKENZIE: Do I understand that the minister is dropping this clause?

Mr. DOHERTY: Has the hon. member any views of the question?

Mr. McKENZIE: This is the first time I have seen it; it is certainly a very difficult question.

Mr. DOHERTY: I am prepared to concede this, that it involves the introduction into our law of something that is quite

new. I quite realize the desire to give the proposition consideration before arriving at a conclusion, though from the representations that have been made to me, and from what study I have been able to give the matter myself, I am disposed to believe that this would be a useful disposition of law. I must say, however, that I was not encouraged last evening by the views expressed by gentlemen whose opinions I respect—of course, I respect the opinions of all members of the committee, but some gentlemen who expressed their views last night had the particular qualification of being members of the profession to which the hon. member who has just spoken (Mr. McKenzie) and myself belong, and which perhaps entitled their views in a matter of this kind to greater weight than those of men who have not that advantage. Perhaps, under the circumstances, it might be well to give this section further consideration, and in view of what I have already said, I therefore move for leave to withdraw this clause.

Section 1 withdrawn.

On section 5—prohibition respecting carrying concealed weapons extended to pistols, etc.:

Mr. DOHERTY: I move to amend subclause 1 of clause 5 by striking out at the end thereof the words "ammunition that can be used in any pistol or revolver."

Amendment agreed to.

Mr. DOHERTY: I move to further amend section 5 by striking out subsection 2 in its entirety.

Amendment agreed to.

Mr. DOHERTY: I move to amend section 5 by striking out from subsection 4 in lines 22, 23, and 24, the following words:

Or ammunition for any weapon named or included in such proclamation.

Amendment agreed to.

Section as amended agreed to.

Mr. ARCHAMBAULT: I move in amendment to add as clause 11a of the Bill, the following:

11a. Section three hundred and twenty of the said Act is amended by adding thereto the following words:

"provided he also publishes at the same time—

"(a) any facts, extenuating circumstances or argument which the person likely to be injured by such defamatory matter has set up before such court or at such enquiry; or

"(b) if no such facts, extenuating circumstances or argument have been made known or made at the time of such publication, then a statement giving such person's explanation or version of the matter."

Section 320 states that newspapers may publish evidence taken in court even though that evidence may be defamatory. Sometimes a complainant files his complaint in court, and the evidence which is given in court is very defamatory to the defendant or the accused. It is published in the newspapers, and some people who read the report form a premature opinion of the case. When, later on, the evidence of the accused is given in court, and is published in the newspapers, it frequently happens that those who have read the complainant's evidence do not read the testimony brought forward by the other side, and they retain the opinion previously formed, which is very damaging to the accused. I know of cases where evidence of the complainant has been published, but the evidence of the defence has not been given to the public. I am aware of a case which occurred about three or four years ago where a man was brought before the court and acquitted, but a certain unscrupulous newspaper, to injure him, published the evidence of the complainant alone. My idea is to provide that the evidence of the complainant shall not be published without the publication, at the same time, of the evidence of the defence; and where the defence is not made at the same time as the complainant's case is before the court, the newspapers shall not publish the evidence of the complainant without the consent of the other party. This is only fair to those who are brought before the courts, where there is a serious complaint laid against them, and I think it should be made an offence for a newspaper to publish only the evidence of one side, the evidence of the complainant.

Mr. CURRIE: What does the hon. member think of newspapers that publish the contents of writs? Certain newspapers make it a habit to hold up people to blackmail by publishing the contents of writs. Some one issues a writ against you charging you with owing money, and so forth, and sends the writ to the newspapers to have it published. I think that something should be done to put a stop to this. For $2.50 I can go and get a writ and charge my hon. friend with owing me $10,000, and have that writ published in the newspapers, and there is no recourse. There should be a stop to that sort of thing; it is a favourite method of blackmail.

Mr. ARCHAMBAULT: There is much in what the hon. gentleman says, and I have no objection to supporting an amendment to that effect.

Mr. FIELDING: There is another kind of injustice. A great wrong is done in the case of election petitions. A petition is filed in which a man is accused of nearly all the crimes in the calendar, and it is published by a hostile newspaper. In nine cases out of ten, the charge is not sustained; it is not brought forward. In the meantime, however, the public is informed that the man is everything but a thief, and I do not know what remedy he has. This is a grave injustice, and many a member of Parliament has suffered therefrom.

Mr. CURRIE: I have personal experience of that. When I ran my first election, there were fourteen writs against me, and not one of them was proceeded with. Nevertheless, the contents of those writs were published, the object being to keep the voters from voting for me. Not one of them had the slightest foundation in fact, and they were never brought forward; yet they were published.

Sir GEORGE FOSTER: They never hurt a hair of your head.

Mr. CURRIE: No.

Mr. DOHERTY: We are dealing with the proceedings of courts, which are essentially public. It is considered, and rightly so, that one of the great guarantees of pure administration of justice is that the proceedings of the courts should all go on in the eyes of the public. Of course, every one cannot be present in court to hear and see.

But everybody would have a right to be there and to hear and to see, and it follows that any man has a right to tell his neighbours when he goes out from the court what it was he heard in court. In the same way the man who has a sheet of paper and a bottle of ink can sit down and write a letter or tell anybody what he saw or heard in the court; and the man who has a printing press and a newspaper has just the same right to tell the people that he can reach. Now, we cannot deprive the people of that right without curtailing the publicity of our court proceedings.

As regards what has been said about election petitions there is no doubt there is a frightful abuse, but the abuse is not in the fact that the newspapers make public the petition—the abuse consists in

the fact that it is open to people to make reckless charges in an election petition, as it is in fact, and I do not know how it is going to be prevented. At the present time the law requires that there should be an affidavit with the petition, in which the petitioner swears to his sincerity and so forth. Still I believe it is a matter of public knowledge that you can go and buy in a law printer's office a printed form of an election petition which contains, of course, an allegation that a man has violated every section of the statute. That is the election petition. Now it is very difficult to say, if a man may make that election petition and make it a proceeding of the court, that the newspaper would not be entitled to publish it. I am not making that observation without seeing the difficulty of dealing with the subject. Though there may be a real grievance result from it we have got to bear in mind what I said at the outset, that the publicity of the court proceeding is something that has always been considered to be, perhaps not absolutely essential, but a very valuable feature in connection with our system of the administration of justice.

Now with regard to the particular amendment that is suggested, I would be disposed to think that the present section might well be amended by having a proviso to require that the report with which the defamatory matter was concerned should be complete—

Mr. CURRIE: Not ex-parte.

Mr. DOHERTY: Should be complete and should tell everything.

Mr. MORPHY: Both sides should be set forth.

Mr. DOHERTY:—but that does not entirely meet the case. Because: Take a prolonged trial. The prosecutor makes his case first, and he may take a week. Now it is a serious matter to suggest that you will prevent newspapers day by day publishing what went on in the court. Of course in the prosecutor's case will be set forth everything that can be said against the accused, and that will go to the public day by day unless you intervene to prevent it, and the paper cannot in advance report the defence that is going to be made. Even so, it will be of very little advantage after all for the newspaper to accompany the report of what actually did take place in court with the statement that the defendant said he was going to prove something else later on. It is not easy—

Mr. ARCHAMBAULT: If, at the same time that the evidence for the prosecution is published there is a statement by the accused regarding his case, it would certainly mitigate the damages that the publisher would incur. That is the reason why I have put the second proviso in my amendment.

Mr. DOHERTY: There may be some truth in that, but if what I started out by saying be true, and I think it is—the court is a public place, and every man has the right to go and hear and see what goes on there, and a right to communicate that to all his neighbours by whatever means of communication he may have at his disposal—if that be true, then it does not seem to me to be quite clear that we have a right to impose upon that man the obligation of inserting something that the accused party chooses to come and say to him. What the ordinary man reads and looks for is a report of what happens in the court. I do not know that he wants interjected into it—here, there and everywhere,—what the defendant says, that he is going to prove this is not true, and after all that is substantially all the defendant can say. I would be prepared if we could do so to frame a proviso that would require that the report made should be a complete report of what transpired.

Mr. ARCHAMBAULT: That would be only an ex-parte report just the same, it would be only the evidence of the complainant.

Mr. DOHERTY: As long as it is impossible to simultaneously take the evidence of the complainant and the evidence of the defendant, I am afraid the defendant will have to suffer the consequences of the fact that the complainant's evidence is given first. The defendant will get his innings when he comes to give his evidence and he will publish it. But it does not really seem to me to be practicable to require that every time a newspaper publishes the day's proceedings in court it must be compelled to publish another statement in which the defendant says that when it comes to his turn he is going to prove all sorts of things. After all, has not the public got some sort of judgment? Does it not know this is the plaintiff's case and that the defendant is going to get his chance? I know that people do not always read all the report, and unfortunately the public is very apt to believe sensational accusations and never look at the defence. I would suggest that we allow the Bill to be passed as it stands. I will consult with the hon. gentleman in the meantime and if we can possibly agree upon the amendment before the Bill goes to its third reading I will allow the measure to be sent back to committee and put the amendment in.

Mr. THOMSON (Qu'Appelle): The point raised by the hon. member for North Simcoe (Mr. Currie) is more important than this amendment. I think you would easily stop people from issuing the pleadings which the hon. member refers to and the hon. member for Shelburne and Queen's (Mr. Fielding) also. Those things can be stopped, but I do not see how you can stop the publishing of evidence where the case is actually under trial.

At Six o'clock the committee took recess.

After Recess

The committee resumed at Eight o'clock.

Mr. ARCHAMBAULT: Mr. Chairman, during recess I had a conversation with the Minister of Justice and the deputy minister, who both agreed and admitted that the amendment embodied a very good reform, but ata the same time there was some objection to the amendment and they asked me to withdraw it, which I will do. But I should like to remind hon. members that as the law now stands advantage may be taken of it to the detriment of an absolutely innocent person. As I pointed out before six o'clock, an hon. member of this House was charged with a very serious offence about two months ago. The charge was laid by political opponents evidently to injure his reputation. He was brought before the courts in Montreal, and the evidence of the complainant, which was of a damaging nature, was reported by the Canadian press in every paper in Canada. The malice behind the charge was so apparent that the judge who presided at the trial dismissed it without even hearing the defence, and the hon. member was honourably acquitted. The news of the acquittal in the form of a few lines was published in only a few newspapers, and some of the journals which had published the complainant's evidence at length did not even insert the announcement that the hon. member had been acquitted. In fact La Minerve, a paper subsidized, I believe, by this Government, although it published the evidence of the complainant conspicuously, hardly mentioned the acquittal. As the law stands there is no redress, and the press can

publish damaging evidence without also publishing any announcement of the accused being honourably acquitted or stating what his defence is.

This was the reason for my moving the amendment. I hope the Minister of Justice will remember his promise and so amend the law that in future newspapers will be prevented from giving publicity to such damaging evidence against innocent parties. On this understanding I beg leave to withdraw my amendment.

Amendment withdrawn.

Mr. MOWAT: It seems to me we made a slip this afternoon in regard to section 19. We have made it an offence to dock or injure—

The CHAIRMAN: The hon. member for Parkdale desires to return to the consideration of clause 19. This of course can only be done by unanimous consent. Shall the hon. member have leave to discuss the clause?

Some Hon. MEMBERS: Carried.

Mr. MOWAT: Kennel keeping is an important industry in which a large amount of money is invested. By this section we have made it an offence to dock or injure the tails of dogs, which would mean that a kennel which had imported a $5,000 pedigreed dog would be prevented from docking the tails of that dog's progeny. No self-respecting dog of a certain class wishes to have his tail long; he wants to have it cut. An airedale or fox terrier with a long tail would be absolutely out of the prize list in the New York dog show. Therefore I think the minister should reconsider this section; otherwise he will have deputations from every kennel in the country asking why he is putting such a law in force. There is no cruelty in docking a dog's tail. Anybody who has kept dogs knows that it is done two or three weeks after the puppy is born. The puppy may give a little squeal, but the next minute he is licking your hand. I think it would be a great pity to spoil our pedigree dogs by enacting that their tails should not be docked.

Mr. DOHERTY: I have to admit that I am not so absolutely well acquainted with the desires of dogs in this respect as the hon. member seems to be. As I said in dealing with the section, the suggestion came to us from the Society for the Prevention of Cruelty to Animals and I assumed they had knowledge of the subject. We submitted the section to the consideration of the experts in the Department of Agriculture who were accustomed to dealing with animals. Of course, if the provision has the effect that the hon. gentleman suggests, perhaps we might exclude dogs from the application of the amendment. I move, therefore, to amend clause 19 by adding the words "The present amendment shall not apply to dogs".

Mr. MURPHY: I understood that the suggestion of the hon. member for Parkdale in giving to the Minister of Justice an interpretation as to the feelings of the dog, had reference only to cutting the dog's tail. The suggestion of the hon. member was I understood, in the way of correcting an omission, or an oversight in the Bill. May I suggest that the hon. gentleman has omitted to say anything about the feelings of the dogs with reference to clipping its ears?

Mr. DOHERTY: Our provisions do not deal specifically with the clipping of ears. However, I will let the hon. member for Parkdale, who is an expert on the subject, answer the question.

Mr. McKENZIE: How will the section as amended read?

Mr. DOHERTY: It will read as follows:

> Everyone is guilty of an offence . . . who wilfully kills, maims, docks, injures the tail of, wounds, poisons or injures any dog, bird, beast, or other animal, not being cattle, etc.

In the revision of the statute I suppose it would have to be inserted in the original section that the words "docks, injures the tail of" do not apply to dogs, but for the purpose of an amending Act I think it is sufficient to couple the amendment with the declaration that the present amendment does not apply to dogs.

Amendment agreed to, and section as amended agreed to.

On the title:

Mr. BUREAU: Before the title is carried I would like to move an amendment to clause 605, which provides that in the district of Montreal the Clerk of the Peace or Deputy Clerk of the Peace shall have all the powers of a Justice under Parts XIII and XIV and under sections 629 to 643 inclusive. I should like the clause to read:

> In the districts of Montreal and Three Rivers.

That will give the jurisdiction of a justice to the Deputy Clerk of the Peace, the reason being that the district magistrate in Three Rivers has to go to Arthabaska and La Tuque. We are three days or six days

per month without a district magistrate, and there is nobody to replace him. Business is therefore delayed and I may say that I am moving this amendment upon a petition signed by all the members of the Bar of the district of Three Rivers. I have submitted it to the Minister of Justice, and there is no objection on the part of the authorities. I therefore move: to amend the Bill by inserting after clause 22 as clause 22A of the said Bill the following words:

22a. Section six hundred and five of the said Act is amended by substituting for the words "In the District of Montreal" in the first line thereof the following words "In the Districts of Montreal and Three Rivers."

Amendment agreed to.

Mr. CAMPBELL: I should like to obtain the unanimous consent of the committee to refer for a minute to an item in clause 24. This clause, which refers to fees, was not discussed. I should like to refer to the witness' fee of one dollar per day while attending trial. The minister surely does not think that amount is adequate compensation for a day attending trial.

Mr. DOHERTY: The amount, if I am not mistaken, is double the amount which was previously allowed.

Mr. CAMPBELL: It seems to me it is just the same, but I am not sure.

Mr. DOHERTY: I may say that the modified fees were made upon suggestions that came to us and that we accepted.

Mr. CAMPBELL: I have known witnesses to spend from three days to, perhaps, two weeks attending trials, and the minister knows that a dollar will not much more than pay for a meal in many places and not that much in many others.

Mr. DOHERTY: The former tariff allowed witnesses 75 cents for each day attending trial. The present tariff allows one dollar.

Mr. CAMPBELL: It is not necessary to point out that that is utterly inadequate. I do not presume it is the intention to pay the full cost to each witness, but the amount is so far short of the actual cost that some change should be made.

Mr. DOHERTY: On the other hand we have to consider a little the litigants who have to pay these costs. What change would the hon. gentleman suggest? If we made the fee $1.50, that would be double the previous fee and witnesses have got along all these years with 75 cents.

Mr. CAMPBELL: I have heard many complaints on that score. The actual expense witnesses in the country would be put to would be anything from $3 to $5; in the cities, the expense would be greater than that. Two dollars would be the very minimum for each day attending trial.

Mr. DOHERTY: To meet the hon. gentleman's suggestion, which probably has some weight behind it, if we may return, as I presume we have returned, to section 24, I would move to amend section 24 by inserting in lieu of "one dollar," the words "two dollars," so as to provide that the fee of the witness shall be $2 per day while attending trial.

Mr. McKENZIE: I notice that the fees were enlarged both as to travelling and attendance. Formerly, a witness got only ten cents a mile for travelling; now he gets 15 cents, and instead of 75 cents a day he get $1 a day. I rather think the amounts should be left as they are. There is an increase of 25 cents on the day's attendance and 5 cents a mile on travelling. If a man comes any considerable distance, he gets 15 cents a mile. As the minister mentioned, the fees were always made small so as to make it possible for the poor man to go into court and get justice. If the fees are made large, he will not be able to pay them, and he will have to waive his rights in court. I would be disposed to leave the fees as they are.

Mr. DOHERTY: I have not any very strong feeling on the subject; but my attention being called to the matter by the hon. member, (Mr. Campbell) it seems to me that as regards the average man who is called as a witness, his day is worth more than $1.50 to him. I do not think we will do any real injustice if we leave it at $1 or make it $1.50. If the hon. gentleman will consider this matter from the witness' point of view, it is certainly pretty hard for a man who is earning $5 a day to have to sacrifice his day for a dollar in order to be of service to his neighbour, or, if you will, to the administration of justice. In our civil courts, witnesses' taxation fees, when I last knew of them, certainly exceeded one dollar a day. They were a dollar a day when I first began to practise law many years ago, and I must confess that I was surprised to find that they were so small still. On the other hand, we must

consider the tax that is put upon the unfortunate litigant who has to pay these fees.

Mr. CAMPBELL: It may happen that the time of a witness who has no interest in the case will be more important than that of the litigant. Why should he be compelled to pay $2.50 to $3 a day to help out one of the litigants?

Mr. McKENZIE: I am sure the Minister of Justice would like to have uniformity in the law as much as possible. I am not familiar with the fees in the other provinces; but in the province from which I come, in a civil suit, the witness gets one dollar a day and ten cents a mile for travel. By this proposed legislation we are going to create the anomaly that if two witnesses are travelling ten miles, one going to a criminal court and the other to a civil court, the one going to a civil court gets $1 a day and ten cents a mile for travel and the other going to a criminal court gets $1.50 a day and fifteen cents a mile for travel. There is bound to be trouble. I would like to have uniformity, at least as far as our province is concerned. If it is left as it is in this schedule, there will be no great trouble, but if the change is made the man who goes to the criminal court will be 50 cents per day, and 5 cents per mile, to the good.

Mr. CAMPBELL: The situation is the other way around in Manitoba.

Mr. GUTHRIE: And in Ontario too.

Amendment agreed to.

Bill reported, read the third time, and passed.

THE PRINTING OF SENATE BILLS

SPECIAL COMMITTEE'S REPORT

Mr. SPEAKER: I have the honour to inform the House that a message has been received from the Senate, transmitting for the information of this House an extract from the Minutes of Proceedings of the Senate of Canada, of Tuesday, May 24, 1921, as follows:

The Senate,
Committee Room No. 251,
Monday, May 23, 1921.

The Special Committee appointed to consider and report upon the method of printing Senate Bills beg leave to make their first report as follows:

"Your committee recommend that all Bills which propose to amend or repeal any existing statute shall, when first printed, have in parallel columns the sections of the Act proposed to be repealed or amended, and the sections as it is proposed to amend them, showing in brackets the words to be deleted in the existing Act, and showing in brackets the words to be added by said amendment."

N. A. BELCOURT,
Chairman.

The said report was adopted.

CUSTOMS TARIFF, 1907, AMENDMENT

On the motion of Sir Henry Drayton (Minister of Finance) Bill No. 199, to amend the Customs Tariff, 1907, was read the second time, and the House went into committee thereon, Mr. Boivin in the Chair.

On section 5—imported goods to be marked, stamped, branded or labelled.

Mr. PEDLOW: I would like the minister to give the committee some further information on his clause. When the resolution was under discussion a few days ago I took the liberty of raising some objections to the provisions of this clause, and I was under the impression that the minister would have some further explanation to make at this stage. I should like to know what conclusions he has arrived at in the meantime.

Sir HENRY DRAYTON: I am afraid I am not in a position to withdraw the clause. We still think it is proper that the marking should be done. I do not know that I can go further than I went before as regards the grounds on which we think it ought to be done, but I certainly undertake that in the regulations that are drawn up we shall try to be reasonable, and my hon friend need have no fears that the marking will have injurious results.

Mr. PEDLOW: It is only fair to this committee that we should have same idea as to the provisions that will be enacted in regard to this feature of the tariff. I had hoped that the committee would be given a specific list of the merchandise that would be branded by the Customs Department. The range of merchandise that comes through the Customs Department is a very wide one, and the number of items which it will be possible to brand without injury is very limited. It ought to be practicable for the minister or his officials to frame some specific list for the information of importers; otherwise importers will, as heretofore, place their contracts abroad, and will have nothing to guide them along these lines. I appeal to the minister to submit for the consideration of the committee, a specific list of items which they intend to have branded. The question should not

be left to the discretion of the officials of the department, because they have not the technical knowledge of merchandise that would enable them to come to a proper decision as to the items that can be marked without injury. Furthermore, if the question is left open, there may be two opinions as to the possibility or the desirability of branding certain merchandise. A merchant might place a contract with a British manufacturer and decide that it was neither possible nor desirable to brand the goods, and when they arrived at the Customs Department, the officials might have an entirely different opinion about the matter. Consequently under this resolution, the first step that would be taken would be to penalize the merchant to the extent of 10 per cent additional tariff on the goods imported. Then the shipment would be held up until the point had been threshed out by the Customs Department. I see room for grave difficulty in connection with this provision. As a matter of fact, there is no real advantage to be gained by this proposal. The assigned reason is that it will make it clear to purchasers just what class of goods they are getting, and where they have been manufactured. Well, I submit that the real consideration, after all, in any purchase, is value and service, and 99 per cent of purchasers care not one whit where the goods they buy are made; all they desire to know is that the goods are of a certain quality and are good value for the money they pay. If the goods are reliable, and meet with their approval, that is all that should be expected. To go beyond that and enact this proposed legislation will only create hardship and friction, and, in my opinion, the minister will experience a great deal more trouble in connection with this provision that he was beset with during the past year in the enforcement of the luxury tax. That tax was only a small matter compared to the possible results of this provision, from the point of view of the trouble which the minister and his officials will be faced with.

Sir HENRY DRAYTON: I do not think I can say anything more than that no goods will be marked that will be injured. The first thing that will be done will be to get out a proper list of articles to be marked, and to say how they shall be marked. This Act is exactly the same as Acts that have been adopted and have been in force in other countries.

Mr. McMASTER: What other countries?

Sir HENRY DRAYTON: The United States, for instance.

9 p.m. Mr. PEDLOW: Have you a copy of their Act?

Sir HENRY DRAYTON: I read their Act the other night.

Mr. PEDLOW: That Act as you read it the other night did not give a list of the commodities that were branded. I think their Act does.

Sir HENRY DRAYTON: Our Act just follows theirs.

Mr. PEDLOW: Does that Act not enumerate the articles that must be branded? How will the purchaser of merchandise ever know what is required of him by the Customs Department under this resolution? You are really enacting a law with which it is impossible to comply.

Mr. LAPOINTE: I think there is much force in the contention of my hon. friend from Renfrew. I have received a letter from a firm in Quebec city which imports a certain class of goods, and from that letter I desire to quote the following extract:

> We understand that this ruling does not mean that the containers or packages of the items are to be stamped, but each individual item. We have been wondering if this ruling is going to be rigidly enforced with respect to Calendars, Pictures, Calendar Pads, Blotters. Fans, and such other items that we sell you from time to time, for it will mean that such articles, where it is possible, will have to be run through the press for an extra printing, thereby, of course, adding considerable to the cost of the goods, and in some cases it will be practically impossible to apply the ruling, for instance on Calendar Pads. The putting of such an imprint on Calendar Pads and Pad Covers and other small items would not only be impracticable, but in some cases it would really add an additional cost which would be more than the actual cost of the goods themselves.

I wish to draw to the attention of the minister what is stated in this letter, and I shall be glad if he will give some explanation that will allay the fear of these gentlemen.

Mr. CLARK (Red Deer): Perhaps the minister will allow us to have a little say on this subject in committee; I make that suggestion in perfect good faith. Possibly the minister in one speech could answer ten interpolations from this side or the other. I am not satisfied personally with the answer which my hon. friend has made to the speech of the hon. member for Renfrew (Mr. Pedlow). All the answer that was vouchsafed my hon. friend

was that this is being done in other countries, and the country particularly mentioned is the United States. Well, that is no justification whatsoever for the expedient being adopted by the Parliament of Canada. We are governing Canada, and the fact that something is done in the United States, or Britain, or Timbuctoo, is no satisfactory reason as to why it should be done here. I should like the minister to tell us, if he borrowed the expedient from the United States, where he borrowed the reasons for its being proposed to be put into operation here. What is the object of this marking? What is the reason for it? Will additional expense be incurred by some one by the marking, and if so, by whom? Who will discharge the expense? All additional trouble in this world means additional expense.

If there be trouble and expense in connection with trading, it makes the article traded in more expensive, more costly, and it is to that extent an embarrassment to trading when we want it to be freer, when we want to do something to stop the rot that is taking place in the trade of Canada. When my hon. friend is answering I should like him to tell us what effect he thinks this marking will have upon the trade of the country. What is the object or the reason for it? Will it incur expense; will it mean employing more government officials; what will be its effect upon trade? Is it not clearly a continuation of bureaucratic practices somewhere which we had to have recourse to of necessity during the war, perhaps, but which we would be better without now. I had occasion to tell the Government and the House the other day that we do not need a Government to help trade, we do not need a Government to interfere with trade. If people are left alone they will trade, it is natural to them to do so. Now I have put my questions specifically to the minister, and I hope in answering them he will let the United States alone and reply to these specific questions.

Sir HENRY DRAYTON: I was just waiting for a moment to see if there were any other questions so that I might be able to adopt the suggestion of my hon. friend from Red Deer. Perhaps there are other hon. gentlemen who desire to ask questions.

Mr. DAVIS: Is there not also an ambiguity about the proviso which reads:

> That all goods imported into Canada after the date of the coming into force of this section which do not comply with the foregoing requirements—

and so on. Well, there are two requirements, and one is that goods capable of being stamped shall be stamped. But goods which are not capable of being stamped are classed under this proviso. Therefore I think the wording of the proviso should be made clearer than it now is. Otherwise it would, in my opinion, preclude all goods whether they were stamped or whether they were not stamped, whether they were capable of being stamped or incapable of being stamped.

Sir HENRY DRAYTON: Perhaps I had better answer the last question first. I submit to my hon. friend that the clause is very clear:

> That all goods imported into Canada which are capable of being marked, stamped, branded or labelled without injury, shall be marked.

I think that is fairly clear, but if there is any doubt about it let us make it absolutely clear. My idea is that if we add any more language to the section we may somewhat becloud what would appear to me to be a pretty clear sentence.

Then my hon. friend from Quebec (Mr. Lapointe) points out the difficulties in regard to the marking of printed matter. Well, the answer to him pretty nearly answers my hon. friend from Red Deer. I should say, in the first instance, that there is no difficulty whatever about branding books, calendars, and so forth, showing where they are made. The name of the printer is usually shown, and I do not know that the additional words are going to be a very great burden. I would not think so. If marking and printing can be done easily I think it can be done easily by people in the printing business. I might further point out—and this is a question which I know the hon. gentleman from Red Deer will be much interested in—that the printers, and the printers' unions, who were particularly desirous of having this done, illustrated the fact that they were subject to the competition of printers in other countries who were getting approximately —I am not sure of the exact figures—one-tenth of their wages. They said "If we are to be subject to that competition let the Canadian people at least know where they are buying these articles from." Cigar bands, and the like, in connection with which there is a good deal of printing in Canada are subject to competition of that class from abroad; and I will tell my hon. friend from Red Deer that I certainly desire to protect Canadian printers against a standard of living at least ten degrees

below that of the Canadian labour man. That is one of the reasons for this provision.

Mr. LAPOINTE: My hon. friend does not mean competition from the United States, I am sure.

Sir HENRY DRAYTON: I was certainly not referring to labour in the United States; I was not referring at all to the United States. As a matter of fact, the points in connection with which this claim was—rightly or wrongly and I believe rightly—made by Canadian labour were Japan on the one side and the Continent on the other. There is no complaint about the United States in connection with printing. That was one reason why we thought marking should be done. I will tell my hon. friend another reason why we thought it necessary. We thought it would be a good thing to make it just a little more difficult to impose a fraud on the public than it now is—just a little bit. I have an idea, for example, that the public, when they think they are buying an English knife, should get an English knife. I do not know whether that will appeal to my hon. friend from Red Deer or not, but it did appeal to me.

Mr, CLARK: No.

Sir HENRY DRAYTON: It does not appeal to my hon. friend?

Mr. CLARK: No, because I would like to take care of myself in buying a knife; I do not want my hon. friend to help me at all in making such a purchase.

Sir HENRY DRAYTON: I do not intend to legislate for one minute for people who have the knowledge of cutlery that my hon. friend has. I am thinking of the Canadian public who, perhaps, do not know just exactly the different brands of steel and the different kinds of manufacture quite as well as my hon. friend may. Now those were the two main reasons why this was done and why we are standing on it. I am very glad that my hon. friend points out that we should not consider what is being done in other countries including the United States. Simply because a thing is done in England does not mean that it is a good thing to be done here. I entirely agree with my hon. friend that our fiscal policy must be dictated by the needs and interests of the Canadian nation, rather than by what England finds it pays her to do. The only reason why I referred to the United States was to illustrate the practical working out of the measure. Over there they do not bring down a Bill with a long list of names, saying exactly what is to be done with every one of the articles named. They simply bring in a declaration that articles which can be marked without injury, shall be marked so as to show the country of origin.

Mr. SINCLAIR (Guysborough): I understand the minister to say that when the article is already marked it will not be necessary to mark it again. That is, if there are words on the book or the article that is imported from the United States, or some other foreign country, into Canada, which indicate where it came from, it will not be necessary to mark it specially. For example, the Government distribute penholders to members, and I happen to have one on my desk which I got from the distribution office. I find that it is marked "Eagle Pencil Company, New York".

Mr. CHISHOLM: New York?

Mr. SINCLAIR (Guysborough): New York. I presume an article of that description which already bears an indication of where it was made will not have to be marked again. I can understand, however, where there will be great difficulty, and I sympathize with the view taken by my hon. friend from South Renfrew. If the minister is to issue a special list for the use of importers so that they will know what goods are to be marked, he will have to be very careful in its compilation. For some time I have no doubt great trouble will arise through this regulation. The clause seems to require that the goods themselves be marked, not the wrapper or container. But supposing you get a bundle of white silk ribbon, to mark it in many places would damage it and render it practically useless.

Sir HENRY DRAYTON: You could not mark that at all.

Mr. SINCLAIR (Guysborough): That may be one of the class of articles that would be exempt. At the same time the importer might not know that, and if it was left to the discretion of the customs officer the latter might raise difficulties with the importer. The penalty is very severe—unnecessarily so for a regulation of this kind which is entirely new in this country. It strikes me that levying a penalty of $1,000 for omitting to place

this mark on goods that may not be worth ten cents is ridiculous. There is no reason why we should frighten people with penalties of this kind, for it is no crime to import goods, and I cannot understand why the minister should want to levy such a heavy fine on a trader who omitted to comply with this regulation.

I also favour the proposal made by my hon. friend from South Renfrew that in place of advertising the country where the goods are made, as for example on this penholder, it would be better to say that it was made in Canada. If we are going to put a stamp on imported goods there is no necessity why we should advertise and build up the trade of foreign countries. Such a regulation as this would be a very fine advertisement for the United States. For example, if I buy a pair of boots from a merchant in Canada and they fit me, and I want another pair of the same make, if I find on the soles of those boots that they were made in New York or Boston that is the best sort of advertisement the American manufacturer can have. They have realized that in England, where they started this idea some time ago I understand, and they changed their regulations, which now, instead of requiring the country of origin to be marked, directs that all imported goods shall be marked "not made in England." That seems to be a very reasonable regulation. I have not heard the minister say that he would accept it, but for the life of me I cannot understand why we should go to the trouble and expense of advertising foreign countries and helping them to sell their goods.

Mr. NESBITT: The section reads:

> That all goods imported into Canada which are capable of being marked, stamped, branded or labelled, without injury, shall be marked, stamped, branded or labelled, etc.

So this would not apply to silk ribbons or to any other goods that might be injured by stamping or marking. The section does not provide that goods have to be branded to indicate the place of manufacture, but merely to indicate the country of origin. So if goods are made in Germany they must be branded "made in Germany," and likewise goods made in England or any other ountry would be similarly branded to indicate the country of origin. There is no reason why goods should be branded to indicate the particular town or city from which they come; but I may tell my hon. friend from Guysborough that very few manufactureres who are not ashamed of their goods do not now mark them not only to indicate the town or city where they are made but the company who manufacture them.

Mr. SINCLAIR (Guysborough): They do it for the advertisement.

Mr. NESBITT: Absolutely; and it is no hardship on anybody who imports goods to mark on them the country of origin. We need not wonder about the cost. No one can calculate the cost of marking these goods, because the men who take a pride in their products will mark them, unless they are trying to evade and deceive, and that is what we want to avoid and what we should avoid.

Mr. PEDLOW: I discussed this proposition at considerable length when the resolution was before the committee, but it seems to me I will be compelled to cover pretty much the same territory again—

Some Hon MEMBERS: No, no; please.

Mr. PEDLOW:—to emphasize the point I endeavoured to emphasize on that occasion. The member for North Oxford seems to think that if imported goods are branded the consumer will be assured of getting the proper quality of merchandise.

Mr. NESBITT: He would soon know from the brand.

Mr. PEDLOW: That, in the opinion of the Minister of Finance, is only one of the features. When the resolution was before us a few days ago he laid particular stress on the fact that it would enable the consumer to understand and to know just exactly where the merchandise was manufactured. There is a good deal in what the hon. member for Guysborough said in that connection, and much more than appears on the surface. If this Bill passes in its present form, it will mean that the trade of Canada will be forced to advertise on their counters the merchandise of foreign countries. That is one of the weakest parts of this section. It will compel our importers to distribute advertising matter for Germany, Switzerland, Austria, Czecho--Slovakia, Italy, the British Isles, and other countries. I insist that if the minister must have a provision of this kind he should follow the British system and have all imported goods branded, "Not manufactured in Canada". That is the system in force in the British Isles, all their imported goods are branded

"Not manufactured in the British Isles," and I do not think we can make any mistake in following their example. The merchants and manufacturers there took exception to a provision similar to this, and the law was changed accordingly. This is a very unwise proposition to force on the business of this country. In the first place it requires that all goods which are capable of being marked must be marked in a conspicuous place. It still leaves the question of what is a conspicuous place open for debate between the importer, the maunfacturer and the customs officials. Supposing the importer does his level best to comply with the requirements of this Bill, and his shipment of goods arrive in the customs office, each article duly marked in his judgment in compliance with the Act, and the customs officer says. "These are not branded in a conspicuous place. I will hold up this entire shipment and will penalize you to the extent of 10 per cent to start with." Then, the next thing is that the goods will not be allowed to leave the Customs office until they have been branded under the supervision of the customs officials. This may mean a delay of weeks and months in the case of perishable merchandise, and after they are released, even though they have not been injured by branding or stamping, they may be out of date and considerably depreciated in value. I do wish the minister and his deputy would give real consideration to this view; it is a view that they cannot escape. Take the law that was passed last year in regard to manufacturers collecting the luxury tax. All hon. members know the difficulties that arose in that regard. The minister assured the member for Three Rivers (Mr. Bureau) and the member for Beauce (Mr. Béland) that harness makers, blacksmiths and tailors would not be classified as manufacturers; yet we know what happened. These trades were put to enormous trouble during the year; they were made to pay a license fee and compelled to collect sales tax as manufacturers, although they were not manufacturers and although the minister assured us on the floor of the House that they would not be so considered. An expensive lawsuit has resulted; it was decided against the Government only last week, and the Minister of Finance assures me that the Government have had to pay the costs. Now, here is cause for any number of lawsuits and any amount of trouble.

Why, you cannot get two men in the same line of business who have the same ideas as to the branding of merchandise. How, then, can you expect a proper decision when the conflict of opinion is between a government official and an importer? You cannot find in Webster's dictionary any words adequate to describe the character of this provision. It provides that the goods must be marked in a conspicuous place. Well now, that is pretty plain language, and I know from experience the interpretation that the customs officials will give to it. Take the line of the merchandise I mentioned the other day, silk stockings, which we import in large quantities. The only conspicuous place on a silk stocking is the leg; the toe would not be considered by the minister's officials as a conspicuous place. He says that the marking on the toe will be accepted by him, but we know from our experience of last year that the inland revenue officers will have a different opinion in the matter. Moreover, the customs officers themselves will have different opinions in different parts of the country and there will be no end of trouble, no end of turmoil from one end of Canada to the other. It is impossible, I say, to make this Act workable. Then, it is provided that the goods must be marked in detail; every item in the package must be marked. I appeal to the hon. gentleman's common sense; I do submit that this provision will cause an immense amount of trouble and will involve expense which will add to the cost of the merchandise and increase the price to the consumer.

I have already called attention to the penalty clause providing that 10 per cent shall be added to the cost of the merchandise if in the judgment of the customs officer it fails to comply with the requirements of this Act. Mr. Chairman, this Act has not been properly thought out. I do not like to use the word, because I have the highest admiration for the minister, but it seems to me to be a half-baked measure; it has not run the gauntlet of careful criticism and consideration. An Act of this kind, if it is to be enforced, should be worked out by men who are experienced in this line of work and who know what they are talking about; men who can say what lines of merchandise can be branded and what lines cannot be branded without destroying or depreciating their value. The penalty clause read by the minister the other night as being in operation in United States is slightly different from that which is adopted here. In fact, the omission of one word makes a big difference. If the provisions contained in the third section of this paragraph are insisted on, it leaves

the matter in such a position that no one importing merchandise can escape the penalty, and it is a very severe one—a thousand dollars or a year's imprisonment or both. The penalty applies to any person who violates any of the provisions relating to the marking, stamping, branding or labelling of any imported goods. That is, if a man fails to have the merchandise marked, or if he fails to have it marked in the place where the customs officer thinks it should be marked; if he fails to do a thousand and one little things which he is liable innocently to omit to do—because he has nothing to guide him in this Act; there are no definite instructions—then he is liable to this heavy penalty. In the United States Act which was read by the minister a few nights ago the word "fraudulently" was used after the word "shall" in the third line. I think that is only a reasonable provision. If a man innocently violates the Act, he is liable to penalty, though he may not have had the least intent of breaking the law. I really think the House will have gone insane if it endorses this provision. This part of the Act should be deleted entirely, or further consideration given to it before it becomes law.

Mr. McMASTER: I do not propose to delay the committee to any considerable extent in the few observations which I wish to make concerning this Bill. But I do not wish this part of the Bill to pass without registering a most emphatic protest. I want to remind the Minister of Finance that last year he passed a luxury tax provision, and he did so in spite of the expert advice given him by the member for South Renfrew. He proceeded along the line of error and finally had to admit the error by taking off the luxury tax in the middle of the Christmas season. Now, I have some respect for the out-and-out protectionist, although he is making a mistake—the man who comes out in manly fashion and says: "I am going to raise the tariff; I think it is a good thing for the country." I can respect his sincerity and his courage, although I may have a very unfavourable opinion of his economic knowledge and judgment. But this sort of protection, this sort of pin-prick protection—not only am I opposed to it economically, but I have little respect for that sort of proceeding. I wish I could shake this Government out of its smug self-satisfaction, because I think that if I did I would be conferring a benefit on the country. The Minister of Marine is spending millions of dollars of the people's money for what? With the ostensible purpose of increasing Canada's trade. This is just a comparison I am making—

The CHAIRMAN: Order. The hon. member in discussing this clause, is certainly not in order in making a comparison between the conduct of the minister in charge of the present legislation and that of the other ministers of the Government.

Mr. McMASTER: Well, without making any comparison at all between these gentlemen, I submit to the committee with all confidence that what the Minister of Finance is doing, no doubt unwittingly and perhaps with the best intentions in the world, is tripping up commerce, pushing pins into commerce, interfering with commerce. You will never make Canada prosperous by interfering in this underhand and small way with the trade of the country. It will cost money to do what is here provided, and that cost will have to be met by some one. The only way by which we shall return to economic prosperity in this country is by freeing trade, not by putting shackles upon it and not by tieing it up with small threads in this way. The minister has read Gulliver's Travels. He will remember that when Gulliver came to Lilliput, he was asleep and the Lilliputians tied his brawny arms and strong legs up with little threads, and finally he was unable to move. That is what the minister is doing with commerce—tieing it up with small, mistaken interferences with the right of people to carry on their business in their own way.

Mr. CLARK (Red Deer): I have listened with very great patience to my hon. friend's reply to a very small portion of the questions that I put to him, and I have heard another very explicit charge against this proposed legislation from the hon. member for South Renfrew (Mr. Pedlow). I want to tell the minister—and I hope he will keep quite cool while I try to get my difficulties in this matter solved by him—that so far I am much more impressed with the objections of the hon. member for South Renfrew than I am by the explanations of the minister. I asked the minister very politely, if somewhat emphatically, the reason for this legislation, and the only reason that he gave was that he would like to protect the Canadian public in buying their knives. I am very grateful to him that he excluded me from his tender care. I want to assure him that a large number of the Cana-

dian public would be willing to free him from further trouble in their case. The minister and I have diametrically opposite views as regards how people trade. When I go to buy a calf from a neighbour, the matter is one between my neighbour and me, and I do not want the minister to come and help me to buy my calf and my neighbour does not want him to help him to sell it. In the wider field of international trade a condition of mutual trust is to be found on a larger scale as between the importer and the exporter, then between the importer and the retailer, and finally between the retailer and the customer. Human beings have been so constituted that whether they be exporters, importers, retailers or customers, on the whole they are better doing their own business in the world than being helped by petty little details arranged by the Department of Finance and consented to by the minister pro tem. That is my view of trade on general principles. I hope I have been explicit and clear enough, and that the minister will understand me.

I addressed a number of other questions which my hon. friend failed to pay any attention to ; in fact, he seemed to be very anxious to get back at me and make it a debating point. That is the easiest thing in the world to do; but that is not worth while if we want to facilitate the business of the House and to get away from here some little time before Christmas. This is not a matter of debate between the minister and myself; it is a matter of his clearing away our doubts about the propriety of this legislation. The hon. member for South Renfrew is, I understand, a merchant; he understands about trade; he is not a lawyer, and I believe he could give the minister points in the matter of trade and then not lose. My hon. friend stakes his commercial reputation on the statement that this is going to give rise to an infinity of trouble in trade. Is that the minister's object? Does he believe the hon. member? Let me ask the minister to give me some guidance in this matter. Who is going to make the examination for the marks on the various articles imported? Where is that going to be done? Perhaps the minister can answer that without leaving his seat.

Mr. CURRIE: In the customs house.

Mr. CLARK (Red Deer): Then every parcel has to be opened and every article examined. The Minister of Customs has an assistant now, but I would rather not deal with the assistant; I want to deal with headquarters. Supposing, however, the hon. member for North Simcoe (Mr. Currie) is well informed, I think, in his assertion, there is prima facie evidence that the hon. member for South Renfrew understands the matter. He says that there will be a great deal of trouble. I put this to the minister, that if the articles in question are only a gross of pairs of stockings—and that would not be a large import—and every stocking has to be marked on every toe, who is going to look at the toes of the stockings for the marks?

Mr. PEDLOW: The mark has to be in a conspicuous place.

Mr. CLARK (Red Deer): I understood the other day that my hon. friend got from the minister the concession that it had not to be in a conspicuous place; that it was to be on the toe. I would like to know if he has found out from prospective wearers if they want the toes of their stockings marked at all. I should like to know if he has endeavoured to find out what effect this is going to have on business. I am going into details to show my hon. friend calmly and reasonably what the situation will be, and I hope he will imitate my tone and temper. I hope he will explain to me who is going to do this marking. The hon. member for North Oxford (Mr. Nesbitt) gets up and utters three sentences of an explanation and then wanders out into the lobby thinking he has settled the whole matter. As a matter of fact, he has not settled anything, but has merely given an opinion.

To return to the question which my hon. friend did not answer, this is all trouble—trouble to the markers in the country from which the goods come, and believe me, English traders want to be paid for their trouble, and their customers will pay them. The importer brings the material in, but he sells it to the retailer. The profit is secure to all the dealers, and the whole thing comes upon the poor consumer at the finish. That is the Government's panacea and has been from the start for improving the trade conditions of Canada. If there is any financial trouble, the recipe of the Government has been: "Give the consumer another clout on the head." That is the recipe of the Government for improving our trade conditions. That is the way in which this will operate. Even if the minister will not protect me in the buying of a knife, if he excludes me from

the benefits of his tender care bestowed upon the general public there will be trouble on the American side and on the British side wherever he enacts that these marks shall be made, and the Canadian people will pay for it. If I am wrong in this, the minister has left me wrong, because he did not answer my question when I first asked it. I have, therefore, had to explain to him in more detail what my difficulties are and have had to ask the question twice: Will this be an additional expense, and who will pay it? As regards this marking, is it not going to be a real obstacle in the way of trade? I do not care to use the language of the hon. member for Brome (Mr. McMaster)—not that there was anything particularly harmful—but I want to be careful not to irritate my hon. friend's feelings at this period of the session. I do not want to talk about pin-pricks. I am not trying to pin-prick anybody; I am trying to see whether this is going to increase the trade of Canada and the comfort of the Canadian people or to decrease both, and for the life of me I cannot see but that it will be baneful in its effects. I cannot see the benefit of this legislation; I do not believe the minister is called upon to protect the whole of the Canadian people in buying all of these articles. I have, however, asked him the question: Will it increase the expense of the trading operation, because nobody contends that the stocking will be better for wearing on account of the mark? The whole tendency would be for it to be worse at that particular point, because there would be the wear caused by putting on the mark, and so with the various other articles. Will not this examination, which my hon. friend from North Simcoe says will be carried out, not lead to the increase of Government officials? Is the whole thing not an unnecessary interference of Government with an operation that would be on the whole better left in the hands of the people themselves, who, after all, when they grow up do not want to be treated as children. If ever I met a people in the world who insist upon their whole manhood and womanhood after they have grown from their 'teens, it is the Canadian people. I hope I have made my points clear and not taken too much time about it, and I hope that when the minister answers this time he will cover the whole ground, so that I shall not need to say anything more.

Sir HENRY DAYTON: I will try and do so. I do not know that I will try to emulate my hon. friend, because if I did so I am afraid I should have to engage in a little bit of scolding that would be entirely beyond my powers. I have taken notes as accurately as I could of my hon. friend's questions, and the first question to be answered is: Will this increase the expense of the operation? There is no doubt about one thing and that is that sometimes the very cheapest of all commodities, cheap sacks, and cheap bags, for instance, are all marked with the name of the maker, often the trade-mark, usually the address, and very often the country. If my hon. friend wants to find something that is cheaper than anything else, let him look at a cheap jack-knife. Even that is marked. If my hon. friend goes down the street to-day and buys a pair of socks—I refer to socks because my hon. friend specializes on stockings—he will find that the cheapest sock he can buy carries its trade-mark.

Mr. CLARK (Red Deer): Does my hon. friend propose a mark in addition to that?

Mr. CURRIE: Keep quiet; let the minister answer.

Mr. CLARK (Red Deer): My hon. friend must keep quiet. This is between the minister and me. I would like the hon. member for Simcoe not to waste the time of this committee. The minister and I are trying to get through, and I would like to call your attention, Mr. Chairman, to the fact that the hon. member for Simcoe, without rising in his place, is behaving in a most disorderly manner, interrupting his own minister, and obstructing the business of the House.

Sir HENRY DRAYTON: As I was saying, on the cheapest sock you can buy, you will find the name clearly stamped. Now I do not think it would cost very much more, the name and trade-mark being already there, to add the name of the country.

Mr. CLARK (Red Deer): Am I to understand that the minister proposes a mark in addition to that which the maker puts on?

Sir HENRY DRAYTON: I certainly propose one thing, and one thing only, and that is that the name of the country of origin shall be shown. I am not interested in trade-marks; I am not interested in names and addresses; I am interested in one thing only and that is that the Canadian public shall know from whom they are buying. It is, of course, a usual thing to have more or less trouble

when a change is made, but I may tell my hon. friend that so far I have received only one letter objecting to what is being done. I may tell him another thing. Either he or the hon. member for Renfrew (Mr. Pedlow) stated that we were compelling the advertising of foreign goods in Canada by this marking. Now, so far, the manufacturers, for whom my hon. friend professes fears, have not made the slightest objection to this legislation—not one of them. On the other hand, the importers are making some objection. Now I would like to ask this question: If it be a bad thing for Canadian manufacturers and Canadian production that we should insist on the country of origin being shown—that we should insist, if you like, on the goods of a foreign country being advertised in Canada—why is it that the only people who are complaining of this legislation are the importers whose interest it is to advertise the foreign as against the home-made article?

Mr. CLARK (Red Deer): Because the importers have the trouble. That would be my answer.

Sir HENRY DRAYTON: My hon. friend has not appreciated my point, but the fault is entirely mine. I was just endeavouring to point out an inconsistency which appears to me to be perfectly apparent. It is alleged that the effect of this legislation will be to advance the sales of imported goods, because of the forced advertisement which they will get. If that is bad for Canadian production, how is it we have received not one complaint of this legislation so far from the manufacturers in Canada.

Another question was: where is the marking to be done? Where is the list going to be drawn up? How is it going to be put in force? The list of goods will be drawn up in Ottawa, it will be printed and circulated; it will be placed in the hands of every single customs official at points of entry.

The marking ought to be done, and will be done, in the country of origin. It is now being done in the country of origin in the case of a great many goods of the better class. It is now being done in the country of origin in so far as importations to countries having similar legislation to this are concerned.

Where is the inspection to take place? The inspection will take place where the goods are examined. All goods coming in have to be examined by the customs officers now. In connection with the larger question of valuing, and inspecting goods passed for customs, a small amount of extra work will be imposed upon the officials to see whether the article is properly marked. This will be done at the customs ports through which the goods pass. The work will be done by exactly the same man that is already doing it; there will be no increase in the number of customs officials. I think I have answered the list of questions in regard to which my hon. friends desires information. If there are any more questions I shall try to answer them.

Mr. McKENZIE: I was very much interested in the speech of the Minister of Finance in connection with this new duty which he is proposing on goods coming into the country. I thought that we could all safely heave a sigh of relief that the minister was about though with his new taxation proposals, but here he comes with another Bill. Is there any telling when the end will be.

Sir HENRY DRAYTON: This is the same matter that has been before the House already.

Mr. McKENZIE: It is possibly the same matter, I suppose, on the same principle as the man who was going all over the continent and finding at every hotel at which he stopped a herring cooked in a different way. Every time he saw it, he said "You are the same red herring". Well, this may be the same red herring, although it is cooked in a different form. We had some criminal legislation going through this afternoon which reminded me of the story of a little girl who had a favourite pet dog. She heard they were going to cut its tail off and pleaded very hard with the executioner that if it was absolutely necessary to cut off the tail of her dear little dog, she hoped it would be done one piece at a time. She thought that it would be less painful that way. Evidently the Minister of Finance thinks that instead of giving us his objectionable legislation all at once he will save us some inconvenience by giving it to us a little at a time; but I think it would be better to have one fell stroke at once and have done with the whole thing, instead of introducing Acts of this kind from day to day. Now, this proposal says that every article that can be marked must be marked. In this connection, it has occurred to me that my old

Scotch friend would have some difficulty in complying with the law. I refer to the shrewd man who, on one occasion, complained of the dishonesty of the English, as he had a right to do, when he imported one hundred thousand dozens of needles and said: "After I had counted them, I found I was ten short". I wonder what would become of him if he had to examine closely each one of the needles to see that it was stamped. It is not impossible to have a needle stamped, and I would ask my hon. friend if he really would insist on his officials counting every needle that comes into the country to see that it is duly stamped, and, if it is not stamped, whether it is his intention to exact the penalty? I am sure the minister, who is a humane man, is not disposed to be unscrupulous, except in so far as he gives in to his officials, and would see to it that people were not penalized to an enormous extent in connection with goods of this kind. The speech of the member for Renfrew (Mr. Pedlow), stands unanswered. Why should we give people this extra trouble? Who is complaining about a web of cloth as to whether it comes from the Old Country or any place else, so long as he gets his suit properly made to his satisfaction? If a lady goes into a store in Ottawa to buy a pair of boots and they suit her, she is not going to make a row because there is no stamp on them. If the leather is all right, and the boots are of the right style and meet her approval in every way, she is not going to look around to ascertain whether it has any particular stamp on it or not. The truth is that this is another form of protection. I get a great deal of advertisement and praise for being a protectionist. I do not try to escape from that reputation at all in many things that are proper and right, but I think that this is a kind of protection which will make it difficult to get goods into the country. It will profit nobody, but, on the other hand, will greatly inconvenience the officials of the department, the manufacturers, and those who do business. It will not serve any good purpose; if it could I certainly should not be opposed to it, because I want to help those who seem to have put some thought and time into this matter. Your predecessor in the Chair, Mr. Chairman, ruled that we could not compare this Government to anything else. I readily concur in that ruling, because, if we are to compare one thing to another, the comparison must be to a thing that exists or has existed before. Well, there was never anything, in the heavens above or in the earth beneath or in the waters under the earth, like this Government; therefore we cannot compare it to anything at all. So that I absolutely concur in the ruling of your predecessor in the Chair; I think he was quite right. Nevertheless, although the Government cannot be compared to anything that we know of, the Minister of Finance has a very great responsibility, and to a very great extent he deals with the everyday life of the 9,000,000 people in this country, and he should not discharge that responsibility in the indifferent and jaunty manner, if I may use the expression, which characterizes him when dealing with such matters. Possibly it is a mannerism of the minister, and perhaps, after he gets in the privacy of his chamber and closes the door and puts himself in the attitude of prayer, if ever he does that, he may have serious moments; but before us he manages splendidly to throw off every appearance of care in regard to the various onerous duties with which he is charged. He says that these goods are to be marked in a conspicuous place. I rather congratulate him on that because he evidently did not pay very much attention to the criminal legislation which was going through the House this afternoon in relation to the punishment of spanking. I think he should know more about spanking than he does. In regard to that question there was a good deal of dictionary research as to where the spanking was to be applied. I shall not go into the details of that matter, but I would ask the minister to look over the Bill as it was attempted to be put through the House. In that case the spanking was not necessarily to be on a conspicuous place. I hope that before the terms of that Bill apply to the Department of Finance the minister will abandon this proposed legislation and leave us where we were. For the last fifty years, the minister must not forget, we have got along splendidly without this legislation. The minister will remember that we now have customs duties, excise duties, sales tax, business tax, income tax, dumping tax, and now this stamping tax. Now many of these taxes were brought on by reason of the war, and I do not blame my hon. friend for them. But the war is over now, and we should be pointing the trade of this country, the operations of every industry, as much as possible into the open sea and away from the rocks, difficulties and embarrassments of the war.

We should be getting away from these restrictions until we get out of some of our other difficulties. After we get away from the sales tax, the dumping tax, and all the rest of it, after we get free from the embarrassments of the war taxation and are more at liberty, perhaps the minister might find it necessary to put a few more fences around the trade of this country; but for the present does not the minister think we have troubles enough and new conditions enough that he is imposing on the trade of Canada without adding this restriction? I seriously ask the minister if he does not think—having got along without such impediments for the last fifty years, or even since Confederation—that we could do without this one until we are prepared to drop some of the other embarrassments and taxes which surround the trade of Canada at the present time?

Mr. CLARK (Red Deer): I do not want to delay the minister one moment. If he is determined to go on with this, I should be the last to resort to anything that had even the appearance of obstruction. But there was one point in his reply to me which filled me with apprehension, and I want to impress it upon him. I want to do it by reminding him that last year I told him that in my humble view certain consequences would result from certain taxes. Well, at the time he did not see it my way, which shows that just for once I saw a little further than he did, because long before his next Budget he gave up the taxes. Now he admits that in regard to these taxes he has already had complaints from importers. I think I understood from my hon. friend that complaints have begun to come in before these marks have gone on, before the law is even in operation. It takes time for these things to make themselves felt and it is for legislators, especially ministers in the Government of a country, to see what the result of their action is going to be, and not to wait until the trouble ensues: It is their duty to prevent trouble—to foresee it if possible. Those importers who are complaining now may just have a little more foresight than the other importers of the country, and if they foresee it, and we fear it, it may be that before this marking has gone very far all the importers will be complaining. After that your goods have to pass from the importers to the retailers, and it may be that the retailers will meet some of these troubles that we fear. All these vexatious interferences with trade must fall somewhere, and they will fall on the people concerned. Now that is my fear. Is it getting any revenue for the country? It will never get a revenue for the country when it is evaded. I cannot see that the good to the consumer is going to compensate for the possible trouble and vexation to importers, retailers and consumers combined. Now I am warning the minister what he may look for in my judgment. It has not got into the retail trade yet, much less has it got to the consumer; but as to the consumer, my honest fear is that it is upon me and men like me that the thing will land. I want to tell the minister that with western prices at the rates so much dwelt upon, with the prices the farmers are getting for their stuff we cannot spend much more. The day will come when, if we want to wear boots and stockings, we will have to cut up some of these cheap sacks the minister is talking about and wrap our feet up in them. But what good will that do the trade of the country? We have to facilitate the communications and dealings of the people with one another. However, I do not want to expatiate upon it. I have explained to the minister my fears, and if he is determined to go on we must take our medicine. It is the aftermath of the war, and the minister is part of that aftermath.

Mr. COPP: Before the clause passes I would like to inquire from the minister if I understand him right when he said that the goods would be marked with the place of manufacture from which they were shipped by the exporters.

Sir HENRY DRAYTON: The country of origin, wherever they are made.

Mr. COPP: That means that if a man is importing goods from the United States the marking is done in that country? Now let us examine and see how far we get with that. You give an order to a retailer and he orders from a firm in the United States, or in Great Britain, or in some other country, and these goods arrive. Let us read the section my hon. friend has placed before the committee:

> That all goods imported into Canada which are capable of being marked, stamped, branded, or labelled without injury, shall be marked, stamped, branded or labelled in legible English or French words, in a conspicuous place that shall not be covered or obscured by any subsequent attachments or arrangements, so as to indicate the country of origin. Said marking, stamping, branding, or labelling shall be as nearly indelible and permanent as the nature of the goods will permit.

"As nearly indelible." Then he goes on and provides a penalty. I would like to ask my hon. friend to let his mind take him into a court of law and have the lawyers and judges there discussing this question. When a man is brought before the courts for the breaking of the law and expecting a penalty to be imposed, I would like him to imagine the court construing and interpreting the words "said marking, stamping, branding or labelling shall be as nearly indelible and permanent as the nature of the goods will permit." Then again, after these goods come into the country who is going to suffer the penalty? The manufacturer in the country of origin must mark them and if he does not do so he is liable to a penalty. Now, where are you going to get him to impose that penalty? The condition of affairs is one that is of very little importance to the country. As has already been said, it is a most annoying and vexatious arrangement to importers and dealers, but it means nothing to the revenue of the country. Fancy discussing such legislation in the last week or two of the session. Yesterday afternoon, last night, and this afternoon the House was considering a Bill providing how a man should have his dog's tail cut off. That is one of the weighty policies we have been discussing here for the last two days. Now my hon. friend the Minister of Finance after bringing down his Budget proposals very late in the session—much later than they should have been brought down—comes along with a Bill providing for restraint of trade, for that is practically what it means. It means nothing to the country, it means nothing to the Government, it means nothing but trouble and annoyance to everybody concerned, and directly concerned, in the trade of Canada. When I go into a store to buy a pair of boots I do not look inside the footwear to see who made them. If I go in to buy a pair of socks I do not care whether they are made in England or the United States—I want the socks and I get them. Ninety-nine out of every hundred men in the country do exactly the same thing. What difference does it make to me who made my boots, or my socks, or my suspenders, or any other article in connection with my wardrobe? It does not matter to anybody. The trouble is that the Minister of Finance, in making jobs for somebody, has surrounded himself with men who are determined to raise trouble for the people of this country. If we had a few more men of common sense and judgment these matters would be dealt with properly and sanely. Instead of that men who have been selected are causing trouble and disturbance among the people. It is because of such legislation as this that the country is in a state of unrest and dissatisfaction, and the people are being annoyed and embarrassed by agents of the Government in every possible way. Every day of the session some little picayune thing is brought up by the Government which means nothing to the advantage of the country, but entails great annoyance and vexation to the people who have to deal with the Government and its officials.

Mr. CALDWELL: I was rather interested in the statement made by the Minister of Finance that these goods should be marked in the country of origin. But unfortunately the Government of Canada has no way of fining the manufacturer if he fails to mark his goods, and the fine falls upon the importer here. We realize that these goods must be marked before they enter Canada, otherwise the customs officer will not pass them at the port of entry. The importer orders his goods and expects them to be marked, but they arrive here not marked. Whose fault is it? It is not the fault of the importer, but he is fined a thousand dollars or sentenced to a year in jail, or possibly both, for the fault of a man whom the Government of this country have no jurisdiction over. That looks to me like a very great hardship on the importer. Firms in the United States and other countries send their travellers to Canada, and they book traders orders for goods. The importer does not see those goods before they enter this country, he has no way of ascertaining whether they are properly marked, but if they are not properly marked, but if no fault of his own, he is fined or imprisoned. This is a very serious thing and should have the earnest consideration of the minister.

Some hon. MEMBERS: Carried.

Mr. PEDLOW: In justice to the representations that have been made to-night in reference to this matter, I do not think that members behind the Minister of Finance should be in such a hurry, crying "carried". I notice the hon. member for North Simcoe acting like a parrot or a phonograph all night—so frequently does he utter the word "carried". If he continues to read the paper he has before him we will get along much better I think.

The hon. member for Haldimand (Mr. Lalor) is not in his seat just now, but I think he will agree with me,—at least so

far as he is permitted to do so as a Government supporter—that this Bill is bound to cause no end of trouble. He is a manufacturer himself, and possibly is regarded as one of those who have not been objecting to the measure. But getting down to the real issue, I do not see that even our own manufacturers will stand to gain very much by this unnecessary piece of legislation. As a matter of fact, I fancy that 75 per cent of the goods imported at the present time are branded with the country of origin, although that in itself is not always reassuring. The hon. member for Guysborough said a few moments ago that he had received a penholder from the distribution office branded as being made in the United States. I have in my hand a pencil I received this afternoon from the distribution office marked "British made". But the name of the manufacturer may or may not indicate that he is of British citizenship—E. W-o-l-f-f. That does not indicate an English name to my mind, although the purchaser of this pencil would be buying it with the understanding that it was made by a citizen of Great Britain.

Sir HENRY DRAYTON: If the hon. member will allow me, does he think that a good state of affairs?

Mr. CAHILL: What is wrong with it?

Sir HENRY DRAYTON: The hon. member is saying, Mr. Chairman, that he does not believe that that pencil is British made, that somebody has so branded it for the purpose of selling it as an article of British manufacture. The hon. member suspects that it is a German pencil, and that the branding is being done for the purpose, if he chooses to follow it out, of getting around the British preferential tariff, and therefore is a fraud. We ought to try and stop fraud, but there is no law at present which does enable us to stop it. This law may help us to stop such fraud, and I hope it will.

Mr. CLARK (Red Deer): I think my hon. friend may be mistaken. The name "Wolff" is a very common Jewish name, and unless he has absolute knowledge that the maker is not a British subject, it is rather unjust to cast a doubt on his bona fides.

Mr. PEDLOW: The point I make is that this branding is no absolute guarantee that the pencil is of British manufacture.

Mr. CLARK (Red Deer): The quality of the stuff is there.

Mr. PEDLOW: In my judgment the point is debatable. The fact that an article is branded "British made" does not always indicate that it is so. Therefore as a guarantee it is of no value.

Mr. CLARK (Red Deer): That is the point.

Mr. PEDLOW: Then there is the matter of expense; I do not know where this is going to stop. Last night we were discussing the depreciation allowed on foreign currency, and the Bill then under consideration provided for a fifty per cent depreciation. That means that merchandise coming from Central Europe will pay six times the existing tariff, and in addition we must take into account freight and insurance, and also something not mentioned by the minister, the rise in British exchange during the last three or four months, running anywhere from ten to eighteen per cent. The result is that you have absolutely prohibited importations from those countries. Therefore a Bill of this kind is useless, because there will be no importations under the provisions that the minister is attempting to put through this House.

Now, taking up the question of marking goods, the Bill we are considering gives no indication of how goods are to be marked or branded, except that it is to be done in a conspicuous place. Dress goods, silks, laces, embroideries, woollen goods, ginghams, serges, linens—these generally are all sold by the yard. Are these goods to be branded on the end or on the selvage? The Bill gives no information and we are left entirely in the dark. We have been simply asked to pass a blank order for the Customs Department to deal with. I insist that it is not safe legislation for the representatives of the people to pass, and we should not be asked to endorse it. I am not attempting to obstruct this measure. I simply want to see it pass through this House as near perfect as possible, for I do not want Parliament to develop into a manufactory of lawsuits among the business interests of this country, but I am sure that if this measure is enacted it will, as I have already said,be the source of no end of trouble. I suppose the legal fraternity in the House would not object to more lawsuits, but it is as patent as the nose on a man's face that that would be the result of placing this Bill on the statute book. It is too open and ill-considered, and while the lawyer may be glad to see such legislation passed, I appeal to men of common sense in the House and ask them to

say who in their opinion is to mark these imported goods and where. Where are goods made up in detail to be marked? A thousand and one cases will come up in the customs offices each year. Who is to decide all these details? And what is there in it for the consumer? Absolutely nothing. The consumer is well able to judge whether or not certain merchandise is suitable for purchase. If he were not, I do not see how the Government could deal with the matter. Some one has asked, who will pay the cost? Of course, the buyer will pay it, as he always does. This branding cannot be done for nothing. The minister has referred to certain articles which are already branded, but I would point out that these brands are not indelible; they disappear with the first washing. But the branding required under this Act is to be indelible; it will not be removable; it will lessen the selling qualities of the merchandise. This Bill will be an obstacle to trade, it is harmful, it is pernicious; it is absolutely unnecessary. In short, it is pure humbug and will accomplish no good, but will rather raise no end of trouble from one end of the country to the other. Will the minister tell us just what prompted this legislation and what good he hopes to accomplish by it?

Mr. CAHILL: When I came into the chamber at eight o'clock one of the Government supporters was asking the Government to amend the Criminal Code so as to permit the cutting off of dogs' tails. We are considering the last clause of this Bill, and I have been hoping during the last two hours that some supporter of the Government would ask that this clause be cut off; I am quite sure that the Government would find it an even less serious loss than would be the loss of a small dog's tail, because the provision is no value to the country, of no value to the Government. It is simply a nuisance, of no practical value to any one. The minister has not attempted to give any reason why this legislation should be adopted. Every member who has spoken on it has pointed out the trouble and inconvenience that will result from it and the restrictions of trade that will be brought about. The minister seems to realize that the people have no confidence in the Government, and the Government apparently have no confidence in the people, because they are afraid to let ordinary grown-up men—anywhere from twenty to seventy years of age—to walk into a store and buy merchandise without the Government first looking it over and putting a stamp on it to tell the buyer where it is made—as if that could have any bearing on the value of the commodity. It seems to me so foolish, so nonsensical and so silly that I am surprised that the minister's good sense has not already caused him to ask that the clause be dropped and that the Bill be passed with as little harm in it as possible. Surely the minister must know that we have enough restrictive legislation in this country. We have enough fraternalism, enough of treating every one as the ward of the Government. Let us have a little liberty and freedom in the future; let us have less of this restriction. In view of the character of this proposed legislation, Mr. Chairman, and in view of the fact that no hon. member to your right will make the motion, I will move that the clause be struck out.

The CHAIRMAN: A motion that a clause be struck from a Bill has been ruled out of order on many occasions because it is a negative motion. There is a motion now before the Committee that the clause be adopted, and hon. members who desire to have it stricken from the Bill have the opportunity of voting against that motion.

Mr. MORPHY: I would not like this subject to be passed over without a word or two being said in the nature of a reply to the remarks made by the last speaker. The hon. member for Pontiac (Mr. Cahill) said Canada has her burdens to bear and her obligations to meet in the form of the heavy debt which is the outcome of the war. As a Canadian I appreciate the value to the farmer of the great home market that Canada furnishes to the products of the farm. It is said that eighty per cent of the farm products of this country are sold in the home market. It is recognized that the home market is the best market for any country. That home market is afforded by the employees in factories and other consumers—by all who are not producers and who get their livelihood in the industrial establishments of the country. At this time, when all the countries of the world are making efforts to command their own trade as best they can, the occasion is opportune for men in this House who believe in Canadian trade to stand up and resent arguments such as those which have been advanced by the hon. member for Pontiac. While we talk in this House about the natural resources of the country it is worth our while to remember that those natural resources would be of no use if

they were not worked out into finished products, the bulk of them for sale to the home consumer and the surplus to be sent abroad. I often think that when we talk of natural resources we are apt to forget the greatest resource of all, the man power and the woman power of the country. That man power and woman power we find most employed on the farms and in the factories. Is it worth while, through the furnishing of that home market, to increase the stability both of our farming and our industrial activities? It is all very well for hon. gentlemen to say they would prefer to have the goods of Austria sent into this country and to be sold in competition with the work of our men and our women in our factories and industrial establishments. But I take a totally opposite view. I take the view as a Canadian that it is the duty of this Parliament to look after the human power of this country, to see that every man and every woman, every girl and every boy of working age is furnished as far as possible with employment.

Mr. FIELDING: Are these people furnished with work now?

Mr. MORPHY: They are furnished with work now to a greater extent than is the case in any other industrial country. It is true that there is some unemployment in Canada, but I ask the hon. member for Shelburne and Queen's to point to any country in the world where there is not more distress, more destitution, more poverty, more hunger, more trouble—labour trouble particularly—than there is in Canada to-day. It is all very well for the hon. gentleman to refer to the conditions now, but I say that now is the time, when there are troubles, for the Government to lay down a sane fiscal and economic policy, a policy which has in view the employment of our workers and which aims to avoid the glutting of our market by the products of foreign countries. We want a policy which will free us from the competition of the cheap labour of Austria, Germany and other foreign countries—which, by the way, are very much worse off, through their own fault, of course, than Canada is. But for my part, I say that it is the duty of this Government to take every reasonable precaution, apart from the inconveniences that are talked about. Let us suffer some inconveniences, let us employ a few more men, if that is necessary, to insure that foreign goods shall not be put into this market in competition with the Canadian product by deceit and false marking. Let us see what we have to meet. I give the Government and particularly the Minister of Finance credit for standing up for Canadian labour, American workingmen and women throughout the whole country, and for the industrial life of this country.

Mr. FIELDING: Americans?

Mr. MORPHY: Canadians, I mean.

Some hon. MEMBERS: Oh, oh.

Mr. MORPHY: They are the best type of American on this continent, so that I am not far wrong.

Mr. EULER: The hon. member for South Renfrew (Mr. Pedlow) has given to the Minister of Finance some very good reasons for reconsidering what he has done. I will admit that the remarks of the hon. member for South Renfrew have been possibly a little harsh, but after all, they have not been any more so with regard to the action of the Minister of Finance than were the hon. member's references to the lawyers in the House. I think he stated that, no doubt, lawyers would be glad of any litigation that might result from the operation of this clause in the legislation. Then he said: "But I make my appeal to men of common sense." That was rather an unkind thing to say of the lawyers. While I understand the minister's object—and I think it is a perfectly laudable and worthy one—in his effort to place this regulation upon the statute book, while I believe that in theory it is absolutely correct that Canadian business should be protected, that the Canadian people should have some means of knowing what they are buying, is he not attracting too much importance to that theory and forgetting that its working out in practice will cause more trouble than the advantages to be gained from this law? I believe that is the case. It is not worth while; we have enough troubles of our own as the matter stands now. It is quite true that the business men of Canada have many troubles in these days, and we should do all we can to relieve them of any unnecessary worries, whereas this law will certainly provide many worries. I do not want to rub in the difficulties that the minister experienced in connection with the luxury tax; but I believe that when he looks back upon the operation of that tax, he will admit that if he had known last year what he knew a little later, he would not have applied the luxury tax, and, I

am afraid he will have the same experience in this case. I hope I am not putting him into such a frame of mind as to cause him to be absolutely antagonistic to what I suggest, namely, that he do not lose sight of the fact that while the theory may be right, the practical operation is not in the public interest. I presume he may dislike to amend this legislation in face of the criticism directed against him, and while the criticism has been somewhat harsh, I believe there is a good deal in what has been said by members on this side. While he may dislike to make a change in the face of criticism, to change one's mind in the light of new knowledge is not an evidence of inability nor is it to his discredit, but is rather a tribute to his intelligence and wisdom than a sign of weakness. I wish the minister would seriously consider whether that clause should not be struck out in the interest of merchants and the public generally.

Sir HENRY DRAYTON: I do not think hon. gentlemen can say that I am at all backward in taking the advice of the House on everything that I can, or that I am at all slow in accepting amendments. I have been blamed in that I have been too ready to accept amendments from hon. gentlemen opposite.

Mr. McMASTER: By whom?

Sir HENRY DRAYTON: By hon. gentlemen opposite. Perhaps the hon. gentleman will remember the debate last year when it was said that I was ready to accept amendments. The idea is that I am ready to accept anything which, in my honest judgment, can improve any legislation that I am framing. That is all by the way. My hon. friend (Mr. Euler) is interested in button-workers in Kitchener. Those button-workers were here not very long ago, asking for a very much increased duty. They did not get it. They thought that they should have an opportunity of meeting fair competition, that people buying their buttons should know where they came from. I should like to ask the hon. gentleman if he agrees with the button-workers.

Mr. EULER: Do the button-workers ask that each button be stamped with the place of origin?

Sir HENRY DRAYTON: Of course not.

Mr. EULER: That is exactly what you will find the law will be in its practical working out. I am in accord with the object that the minister seeks to obtain, but I believe that it is not worth while, because he will find the disadvantages far outweigh the advantages.

Mr. MACLEAN (Halifax): I was going to suggest to the minister that sub-clause 2 of this clause be so amended that it will read that the section comes into force upon proclamation by the Govenor in Council. I have listened to all the discussion upon this clause for the last two or three hours, and I am more convinced than ever that this clause is absolutely without merit. It contains the elements of considerable annoyance to the Canadian people. I doubt very much if the minister would proclaim this clause effective if he gives it a little further reflection, and I believe that will be the judgment of the Canadian people if they have an opportunity of studying the section a little further.

Mr. SINCLAIR: I would like to support the proposal of the hon. member for Halifax (Mr. Maclean), for another reason, namely, that the time is short. October 1 is not very far away; it is only about five months from now, and in many lines of trade orders are given fully six months ahead. Orders are taken in the spring for fall delivery, and it might be necessary to have the law before the manufacturers as quickly as possible when goods are not manufactured in this country. The difficulty would be obviated if the suggestion of my hon. friend from Halifax were accepted.

Mr. PEDLOW: One other point which I wish to call to the minister's attention again is in reference to the penalty clause. I understand that this legislation has been drafted pretty much after the form of the Act in force in the United States. I understand too that the minister, in drafting this penalty clause, omitted one word that is included in the American Act. In my judgment that is a very important word in this connection, and I should like the minister to concede at least the inclusion of this particular word. If the Act in the United States has any virtue, and it has been in operation there since 1913, I think it should be adopted in its entirety here. I would suggest to the minister that he insert the word "fraudulently" in the 14th line, on page 6 of the Bill, between the words "shall" and "violate." As the Act stands now, any person who innocently violated its provisions would be liable to the penalty, and the magistrate would have no discretion

in the matter. I would like this concession from the minister.

Mr. NESBITT: I would like to endorse the suggestion of my hon. friend from Guysborough (Mr. Sinclair) as to the date the Act shall come into force. The goods now being manufactured were ordered last spring, and they will be shipped about September 1 or October 1. I would suggest that the date of coming into force be postponed from October to January.

Mr. PEDLOW: I beg to move that the word "fraudulently" be inserted in the 14th line between the words "shall" and "violate."

Mr. McKENZIE: If my hon. friend would take any advice from me, I would suggest that he use the word "wilfully," which is in nearly all statutes of this kind. There would then be some protection, but as the Bill now stands the magistrate has no discretion at all.

Mr. PEDLOW: I am quite willing to accept the suggestion of my hon. friend, and I move accordingly.

Amendment negatived.

Section agreed to.

Bill reported, read the third time, and passed.

IMMIGRATION ACT AMENDMENT

The House again in committee on Bill No. 139, to amend the Immigration Act—Hon. J. A. Calder.—Mr. Boivin in the Chair.

The CHAIRMAN: When this Bill was last before the committee, all the clauses of the Bill had been read and adopted. We are now upon the title. Shall the title carry?

Title agreed to.

Bill reported, read the third time, and passed.

INLAND REVENUE ACT AMENDMENT

On the motion of Sir Henry Drayton (Minister of Finance) Bill No. 200, to amend the Inland Revenue Act, was read the second time, considered in committee, reported, read the third time, and passed.

SPECIAL WAR REVENUE ACT, 1915 AMENDMENT

On the motion of Sir Henry Drayton (Minister of Finance) Bill No. 204, to amend the Special War Revenue Act, 1915, was read the second time, and the House went into committee thereon, Mr. Boivin in the Chair.

On section 1—excise taxes:

Mr. SINCLAIR: What changes were made since the resolution was before the House?

Sir HENRY DRAYTON: We made some changes in the resolution in committee, but no changes have been made since.

Mr. RINFRET: There was some trouble last year in deciding how the sales tax should be paid by certain merchants. Tailors import some of their tweeds, and they buy some from the wholesalers. I know of cases where the sales tax was charged to the tailor on the complete sale irrespective of whether the tweeds were imported or were bought from the wholesale merchants. In the latter case, of course, the tailor had already paid to the wholesale merchants and was therefore paying twice. Has that been adjusted?

Sir HENRY DRAYTON: Details of administration are not with me; they are in the Department of Customs. I am not familiar with the case cited by my hon. friend. I know of the difficulty that occurred in connection with the designation of tailors, as to whether they were manufacturers or not. We shall have no more trouble of that sort, and I may say that the court vindicated my view of the statute in the long run. A tailor is a retailer, not a manufacturer; he does not sell cloth in bulk.

Mr. RINFRET: Will he be free from all taxes, even on the goods he imports?

Sir HENRY DRAYTON: There is a tax on the manufacturer, of 1½ per cent when he sells to the wholesaler or jobber, as the case may be, and a tax of 1½ per cent on the sale by the wholesaler or jobber. There is no tax on the sale of the retailer. If the tailor, instead of buying his goods in the ordinary way, imports them and uses them directly himself, he will have to pay the tax.

Mr. RINFRET: That is perfectly clear. Now, in case of any dispute with the excise officers, who might want to exact a tax on a basis other than the minister has stated, can we depend on what the minister now says, as a final decision? We have had a lot of trouble.

Sir HENRY DRAYTON: There is no doubt about that; but you have behind you this time, not only the statute itself, but

also the considered judgment of the Exchequer Court. There can be no more trouble.

Mr. BUREAU: When goods are bought in containers, is there any tax on the containers if they are returned? Suppose a man buys a carload of cement, returns the containers and is given credit for them; does he pay the tax on the full amount of the sale, including the cost of the containers?

Sir HENRY DRAYTON: If the containers are returned, and the purchaser is given credit for them, only the cement is taxable. The firm in sending the cement may charge not only for the cement but also for the containers. If the containers are returned and an adjustment takes place, of course there will be a refund for the containers.

Mr. KAY: Should not the exemptions from the sales tax in connection with dairy products include condensed milk, milk powder and ice cream? If these articles are not exempt the farmer will receive so much less from the factory than would the farmer who sent milk or cream.

11 p.m.

Sir HENRY DRAYTON: There is no tax at all on anything the farmer sells. There is quite a difference between what the farmer gets for his milk, and what is charged for ice cream, and I do not know whether any attempt is being made to maintain the spread that now exists. We have not given any exemption on the things my hon. friend refers to. As I said when the resolution was being discussed in committee, there are very many things to be considered in connection with these matters, and I certainly do not pretend that it is possible to cover the whole field without careful consideration. We have reserved the power to go into these questions of further exemption, and there are some things which we contemplate granting. At present I cannot go further than to say that we shall consider these matters.

Mr. KAY: Should not the exemptions on oil cake, bran and cattle feed also extend to cotton seed and gluten meal?

Sir HENRY DRAYTON: Cotton seed is now exempt.

Mr. PEDLOW: Mr. Chairman, what part of the Bill are we discussing?

The CHAIRMAN: The entire Bill; it is all included in one clause.

[Sir Henry Drayton.]

Mr. PEDLOW: It would be far better if we discussed the Bill paragraph by paragraph. It is too comprehensive to be dealt with en bloc.

The CHAIRMAN: If the Bill were considered paragraph by paragraph, I fear that the Chairman would be obliged to invoke the rule which prohibits repetition of the same arguments. The contents of this Bill were discussed paragraph by paragraph in committee on Saturday last and the resolution which was adopted by the committee is embodied without change in the present Bill.

Mr. PEDLOW: I was present when that discussion took place, but I was under the impression that we could discuss the whole Bill at this stage. Certain amendments were proposed and accepted when we were considering the resolutions in committee, and the present Bill varies in some respects from those resolutions.

The CHAIRMAN: It does not vary from the resolutions as amended.

Mr. CANNON: On the former occasion did we discuss the resolutions or the Bill?

The CHAIRMAN: We discussed the resolutions.

Mr. CANNON: Well, a discussion of the resolutions is altogether distinct from a discussion of the Bill.

The CHAIRMAN: The Chairman did not rule that the committee could not discuss the Bill. He only ruled that the entire provisions of the Bill are included in one clause.

Mr. CANNON: If I understand correctly the motion of the hon. member for Renfrew (Mr. Pedlow) he moved that the Bill be discussed paragraph by paragraph, and the Chair ruled that that course could not be followed because the Bill had already been discussed in that way. As I understand it the resolution was discussed in committee on the former occasion but we are not dealing with the Bill itself in committee for the first time.

The CHAIRMAN: The hon. member for Dorchester is perfectly right when he contends that it is permissible for an hon. member to move that a clause be considered paragraph by paragraph. That motion, however, was not made by the hon. member for Renfrew nor by any other hon. member. If such a motion is made the Chairman will be pleased to put it to the committee and abide by its decision.

Mr. PEDLOW: To make my meaning clear, I move that this clause be considered paragraph by paragraph.

Motion agreed to.

On paragraph 4—Tax on sales.

Mr. SINCLAIR (Guysborough): Is coal one of the articles exempt?

Sir HENRY DRAYTON: Yes, coal is exempt.

Mr. PEDLOW: I think this clause has been very considerably changed from the form in which it appeared in the resolution which we considered on Saturday. I do not know exactly what its meaning is now and to determine its effect will take some little time.

Mr. CANNON: Will the minister explain to the committee the nature of the changes that have been made?

Sir HENRY DRAYTON: My recollection is that the changes made had first to do with the lumber situation. Under the amendment the rate on importations of lumber will be 3 per cent, and the rate on domestic sales of lumber will be 2 per cent. There will only be the one tax in the case of domestic lumber and also in that of imported lumber. The main change made was that which brought into effect the law of last year. The original proposal this year left it entirely to the vendor, the wholesaler or the manufacturer, to say whether he should show his tax in the invoice at all. We have gone back to what we did last year which compels him to show one-half of the tax in the invoice.

Mr. PEDLOW: In reference to the clause providing for a tax on lumber, my understanding is that on imported lumber there is a tax of 3 per cent and nothing further. Provided that lumber is manufactured into doors, desks, chairs, and so on, will the manufacturer be compelled, under the sales tax, to collect 1½ per cent on the article manufactured from that lumber?

Sir HENRY DRAYTON: Yes.

Mr. PEDLOW: That is not expressly stated in the section. I would like to have a ruling on that particular point.

Sir HENRY DRAYTON: He is not selling lumber in that case, he is selling, we will say, a desk or a chair and he is taxable on those articles.

Mr. PEDLOW: First of all there will be 3 per cent on the lumber imported. Then there will be 1½ per cent on the finished article—including the cost of the lumber, the cost of the labour, and the profit. That is to say there will be the tax of 1½ per cent to the jobber or wholesaler, and in addition 1½ per cent to the consumer. That is my understanding of what is proposed but it is not expressed in the Bill.

Sir HENRY DRAYTON: I think so.

Mr. SINCLAIR (Guysborough): The exemptions make no mention of hospital supplies and medicines used in the hospital. Did the minister consider that question?

Sir HENRY DRAYTON: Some consideration has been given to it but it has not been finally determined what will be done. That is one of the matters I have referred for action by the Governor in Council.

Mr. McKENZIE: I have heard some complaint from druggists touching the very high tax that is put on alcohol. I understand the manufacturer gets his alcohol at a very much lower rate than the ordinary retailer. For example the manufacturer pays only $2.40 whereas the retailer pays $9. Is there any way at all of relieving the druggist of this high taxation, or of lessening the difference between the price paid by the manufacturer and what the druggist who is dispensing medicine pays?

Sir HENRY DRAYTON: That is a matter which does not arise under this Bill, but under another measure. However, I will be glad to give what information I can. There is no doubt there is a considerable difference in the rates because the manufacturer uses liquor in large quantities, whereas the retail druggist does not. Furthermore the manufacturing chemist is under surveillance while the ordinary druggist is not. The latter, however, can take advantage of the provisions of this Bill if he desires to bond himself in the manner required of the manufacturer. I have asked for suggestions that will be useful in the practical working out of the measure and will be very glad to accept anything of a helpful nature.

Mr. SINCLAIR (Guysborough): Would the minister be kind enough to say whether he will receive a suggestion of this kind relating to the vendor who is in charge of the sale of intoxicating liquors in all the provinces? Under the regulations I think the vendor would be an officer that could be trusted to deal with the question of the sale of alcohol for medicinal pur-

poses under some system that might be fixed by the department. They are officers of the provincial governments, but there is no reason why the duty should not be imposed upon them by the Federal Government under some arrangement with the provinces.

Mr. PEDLOW: I am informed by the member for south Bruce (Mr. Truax), who has had considerable experience in the lumber business, that the tax on finished lumber will discourage building operations. In his judgment on a $4,000 house the tax on doors, windows and interior trim will represent at least $225. I do not think it is in the best interests of the country that this class of material should be taxed to such an extent. We ought to encourage building operations, but I submit that this tax will penalize men who want to build and so retard the construction of houses that are so urgently needed. I should like the minister to take this into consideration and, if possible, reduce the tax.

Mr. CANNON: Could the minister tell us if he intends to impose this tax on the houses which will be built in accordance with the housing scheme which has been encouraged by the Government? What would be the result? With one hand the money would be given by the Government, and with the other it would be taken back.

Sir HENRY DRAYTON: I am afraid the bookkeeping entry would not recover the amount of money which would make a serious offset to the houses alone. We had figures given the other day, and my recollection is that it was stated the tax on a $5,000 house would amount to $105. I am not sure that that is right, because even that was calculated upon the higher or old three per cent rate and not upon the new two per cent rate.

Mr. CANNON: The member for South Renfrew has raised a very important point. I read an article recently on the reconstruction policy of the British Government, and I gathered that one of the main features of that policy is to considerably increase and improve the housing accommodation of the ordinary people. The result of this tax will be to impose another hardship on our labouring people. It is right that the country should tax to the full extent the rich man who wishes to build a mansion, but I do not think this tax ought to be imposed on poor people. There should be at least a limitation as to value, and houses coming within that limitation ought to be exempt from this tax.

[Mr. J. H. Sinclair.]

Sir HENRY DRAYTON: What is the hon. member's suggestion as to limitation of value?

Mr. CANNON: I would not dare suggest any minimum to the minister. He is in a much better position than I am to fix a limitation.

Mr. PEDLOW: The Bill provides that:

> The Governor in Council shall have power to add to the foregoing list of articles exempted from the excise taxes on sales, as he may deem it expedient or necessary to exempt from the said excise taxes.

Does the minister deem it necessary to encourage the building of a certain type of house? If he does, I think it would be wise for him to exercise the power given by this section.

Paragraph 1 agreed to.

Bill reported, read the third time and passed.

CONSERVATION ACT AND AMENDMENTS

Right Hon. ARTHUR MEIGHEN (Prime Minister) moved the second reading of Bill No. 187 (from the Senate) to repeal the Conservation Act and amendments.

Mr. BELAND: Is not the right hon. gentleman going to make a statement in regard to this Bill?

Mr. MEIGHEN: I can make a statement on the second reading, but as it is a Senate Bill, and a very full statement has been made by the leader of the Senate, I thought possibly a further explanation would not be required here.

The Conservation Act was passed, I think in 1909. Its purpose was to provide a commission, with power to investigate and advise as to the right lines of development of public policy in the conservation of Canadian resources. The Act itself sets out its objects, and the speeches made in support amplified its purpose. Canada in this regard followed the example of the United States. A commission was appointed there—I do not recall its exact name—with like ends in view. In both countries the commission sought to perform the purposes for which it was created.

By reference to the Act it will be observed that consonant with what I have said, no administrative functions devolved upon the commission; its purposes were advisory only. Consequently I think it should be assumed that such a commission could only be of a temporary character. I do not think it is sound policy that there

should be any public body of a permanent character in the Civil Service whose purposes are merely advisory. Unless it combines administrative functions with its advisory functions it has not the seeds of permanency in it. The same conclusion is inevitable from other premises. The commission was constituted an independent body. It bore no relationship to any minister, or to the Government, such as a governmental activity, in my judgment, should. It does not seem to me to be consistent with our system of government that there should be any non-judicial body of a permanent character determining rights as between individuals and units that is not responsible as a branch of a department. That does not seem, I say, consistent with our system of government and it is my experience that it has not worked well.

Mr. FIELDING: How about the railways?

Mr. MEIGHEN: The functions of the Railway Commission are judicial.

Mr. FIELDING: I mean the Canadian National railways. I am afraid the principle my hon. friend is laying down would not apply to the Canadian National railways.

Mr. MEIGHEN: But they are responsible.

Mr. FIELDING: As a branch of a department?

Mr. MEIGHEN: They are not a branch of a department.

Mr. FIELDING: Those were my right hon. friend's own words—" as a branch of a department".

Mr. MEIGHEN: But there is direct governmental responsibility there. We appoint men to carry out those duties; we put them in the position of a corporation. There is no doubt that we are responsible for their work. We are responsible for the character of the men we appoint, and if they do not do their work properly it is our business to remove them. But I say I do not think it is consistent with our system of government that there should be a body for which no one is answerable and over which no one has any control, as is the case with this commission—in a word, a body in the position of a court but without the functions of a court. Consequently, reasoning from both those premises; from the premises that its functions are merely advisory, and from the premises that it is wholly independent of any department of government and answerable to no one, I think it should be assumed that the life of the commission was intended to be, or at least ought to be, temporary.

In working out the legislation creating it the commission has gone about in one direction or another, laying its hand on anything that looked alluring, anything that could be regarded as a possible field for its activity. It has invaded the province of one department of government after another, one branch after another, and necessarily it has duplicated services wherever it has so invaded. Where work was being done in this department or in that department which could be used by the commission for the purpose of amplifying in the general view the usefulness of the commission—well, it simply laid its hand on that work, and very soon the results of the activities of officers of the Government would appear in a very handsomely bound volume with the name of the Conservation Commission on the cover. Furthermore, the work of the commission has been most expensive, and one could look for nothing else in view of the irresponsible character of the commission. I do not say those words with any reference at all to the members of the commission; I say it with reference to the nature of its constitution. The Minister of Agriculture was, under the statute, the minister through whom the commission made its requests of Parliament. He, however, was merely the channel through which the commission reported—or, rather, through which the commission appealed to Parliament for money. There was no effective control over the commission's expenditures; it determined what its expenditures should be. Of course, it had to get the money from Parliament, but the commission's views were merely recited in Parliament by the minister; indeed that was the limit of the minister's power. The commission has cost the country an average, I think, of about $104,000 or $105,000 a year during the term of its existence.

Mr. BUREAU: As bad as the Purchasing Commission.

Mr. MEIGHEN: In that regard I think it is worse, but in results it has been much less beneficial to the country. The Purchasing Commission saves money much in excess of its cost. As to this commission, I do not know what it saves. I do not say that its work has been useless, by any means. But I do say that through all these

years it has continuously tended, and more and more each year—it had to do so in order to do anything—to duplicate and overlap the functions of various branches of the different departments. That could be illustrated with reference to many departments. One might refer first to the commission's forestry activities. It set to work to tabulate the various forest resources of the country and to give a lot of publicity to its investigations in that regard. It has always been certain to publish those results in very expensive books, with a paper and binding that other departments could not dare to emulate. Its functions, as I say, were advisory in the first place, and once its advice was given, once it came to the work that was necessarily connected with the administration of the forests, it could not do anything, and rather than do nothing, of course, it actually got into the work that was necessarily connected with administration. It has continually pursued that work and, naturally, it has done so very much to the discouragement of the different branches that have had to administer the various government forestry services—branches which, in that administration, did precisely what the commission was doing; and very frequently the commission absorbed those services, or at least the credit for them. The same is true as to its overlapping the work of the Water Power Branch of the Interior Department. Of that —as well, indeed, as of the overlapping in connection with the forestry work—I myself have an intimate knowledge through my association with the Department of the Interior. Instances could be given—not one, but many—of its doing work that was being done by the Water Power Branch, work that the Water Power Branch had to do in order to carry on its administrative functions, and considerable public expense which could have been avoided has thereby been incurred.

The commission has even assumed responsibilities as regards external affairs; and here, I think, it has brought about a condition so anomalous that further argument will surely be unnecessary after that condition is explained. The External Affairs Department must, of course, receive advice from its responsible officers as to what should be done as regards certain of our resources—for example, as regards our resources in the waters of international rivers, both for navigation and for power. Matters have arisen in which the interests of the United States and of Canada were concerned; for example, as regards St. Lawrence development. Such matters are judicially determined by the International Joint Commission. Canada must necessarily be represented before that commission and must state what is the policy pursued and what is the desire of this country as expressed by its Government in relation to the matters in dispute or the matters which are the subject of consideration by the International Joint Commission.

We have found ourselves appearing before the International Joint Commission to state the position of the Government, and immediately alongside would appear the representative of the Conservation Commission who would also state the position of this country. If one can conceive of anything more anomalous than that, one's conception must be very lively. Surely it never was the intention that the Conservation Commission should determine what should be said before the International Joint Commission as representative of the views of the Dominion of Canada regarding the subject of international waters. If the Conservation Commission are the proper body to represent Canada, then the Dominion Government cannot do so too. If both can do so, what is to be done in case of conflict of views? The secretary of the Conservation Commission appeared in one case; he read before the International Joint Commission the names of all those who were members of the commission, many of them ex-officio members, made so by statute. Those names included the Minister of the Interior, another minister whose name I cannot recall,—I think it was the Minister of Mines, or possibly the Secretary of State, and after he had read that imposing list of names, it really looked as though he had the authority of all the members of the commission for appearing there and presuming to state the views of Canada on the question in dispute. As a matter of fact, in this case the commission had not been called, and if it had been called, it would not have been for its members to express what the attitude of the Government should be before the International Joint Commission.

That merely illustrates what is likely to occur when a commission, which was created merely for advisory purposes as respects different departments, as respects the policy to be pursued by the appropriate department or branch in relation to natural resources, created for that purpose, only and necessarily, I think, of a temporary

character,—when such a commission assumes that it is a permanent institution and competent to act on those lines permanently. It cannot act permanently unless it pervades and conflicts with the proper functions of branches and departments. I believe, the cost of publication of reports of its various investigations has reached a total of some $280,000. Last year the commission cost $155,771.31, and the cost naturally increases from year to year. It seems to me that the right thing to do is not to discontinue any useful work that the commission may be doing; but where the commission is overlapping, to see that that work is done only by one service, and that service the appropriate service under a minister responsible to this House; if it is performing any function that is not being performed by the appropriate department of Government and that should be performed, then to see that such service is performed by the most suitable department or branch. In this way, there will undoubtedly be a very considerable saving and, I think, a much more efficient service.

It is the intention, when vacancies occur, or where officers of the commission can be used to the advantage of the service in different branches, that those of the permanent service shall be used, but only where they can be used to advantage and where they can earn their salaries. But even were all so taken—and I do not think it will be necessary to take all—there will still be a very substantial saving to the public treasury, and there will also, in my judgment, be a more efficient and certainly a more harmonious service, because a great deal of money is wasted in duplication of travelling expenses. We will find a representative of the commission away up in the Northwest Territories, perhaps, looking into water-power resources there, taking stream-flow data and the like, and a representative very probably has to follow from the water-power branch, getting almost, although not exactly the same data, but getting data which the branch must have in all its details for the work which it has to perform. Similar travelling expenses are duplicated in connection with forestry and other investigations. There is necessarily overlapping as well of publications, all of which will be saved by the repeal of the Bill establishing the commission. I am not criticising the purpose for which the commission was originally established. I merely say that its very purpose indicated that its duties would be performed within a limited period of years; that its duties could not be continuous in their nature and, consequently, the status upon which the commission was placed, the isolated position which it received, the degree of irresponsibility that was vested in it, all indicated that it could not have been intended that it should have any administrative or semi-administrative functions nor that it should have permanent existence. Therefore, the Government believe that the ends of public policy will be served, that we will get a more efficient and a cheaper service, and that very considerable expense will be avoided, by repealing the Act.

Hon. H. S. BELAND (Beauce): Mr. Speaker, I do not intend to detain the House very long on this subject; but I desire, in a few words, to take exception to what was stated in the upper chamber and also to what has been stated this evening by the Prime Minister (Mr. Meighen) in connection with the Conservation Commission. The remarks made to the House just now by the Prime Minister would leave on the public mind generally the impression that the Commission of Conservation was a fifth wheel to the car of state, if I may use the expression. I have been more or less constantly connected with the Commission of Conservation; I have belonged to it from its inception; I have followed its work, and I believe that it is, on the whole, rendering a great service to this country. It was originated, as stated a moment ago by the Prime Minister, in 1909, in pursuance of a resolution adopted at a conference called the North American Conference for the Preservation and Conservation of Natural Resources, held in Washington at the call of the then President of the United States, Mr. Roosevelt. At that conference the United States, Canada, and Mexico were represented. The Act creating the commission was passed by this Parliament in 1909. The commission was constituted for the purpose of conserving the natural resources of the country; that is to say, the main natural resources, man, our lands, forests, water-powers, minerals, fisheries, wild animal life and game.

As was stated by the Prime Minister, the commission is not an administrative body. Its functions are mainly advisory and consultative. The Prime Minister stated that the commission was responsible

to nobody. That statement, I believe, is a little outside the mark. The commission is responsible to Parliament; it could not be otherwise. Its constitution gives it power to take into consideration every subject which may be regarded by its members as relating to the conservation of the natural resources, but the results of the commission's consideration are, as stated before, advisory only. In a sentence, the commission is a body constituted for the purpose of collecting exact—I insist upon the word —exact information, and deliberating upon, digesting, and assimilating this information so as to render it of practical benefit to the country; also for the purpose of advising upon all questions of policy that may arise in connection with the administration of the natural resources where the question of their effective conservation and economic use is concerned.

The commission has been a pioneer in many lines and in many directions. It has been able to discover advantageous and efficient methods of utilizing our resources, and has carried on this work, I say, at an insignificant cost. The hon. the Prime Minister stated that the commission spent last year $155,000.

Mr. BUREAU: And thirty-one cents.

Mr. BELAND: He is a little overstating the case. I have the exact figures before me, and I find that last year the commission had a total vote of $140,000.

Mr. MEIGHEN: I think my figures are right. I have the details.

Mr. BELAND: When an economical and efficient method has been demonstrated by the commission, the carrying out of such method is transferred to the administrative department concerned, which can conduct such operations on a scale forbidden by the organic Act establishing the commission, and by its limited financial resources.

The House would perhaps like to know the composition of the commission. The commission is made up of three members of the Federal Government, and one member of the Government of each of the provinces. There are twenty other members appointed by reason of special qualifications. All the commissioners, including the chairman, are debarred by law from the acceptance of any remuneration for their services. The commission had formed out of its membership a number of committees. I will mention the committees on forests, waterways and water-powers, lands, fisheries, game and fur-bearing animals, minerals, and there are others.

Acting solely on an investigatory and an advisory capacity, the commission has been able to achieve results of far-reaching importance in promoting the conservation of our natural resources. It has studiously avoided any duplication, in spite of the accusation laid at its door, or in any manner encroaching upon the work which properly belongs to an executive department, but an examination of its record reveals that it has proven a highly efficient instrument in investigating our resources and in co-operating with every agency seeking their greatest and most economical utilization. If I insist upon this work of the commission, it is mainly for the purpose of offsetting the bad impression created throughout this country by the speech presented to the other House by a member of the Government in introducing this Bill or upon its second reading. The right hon. the Prime Minister did not go as far perhaps as the Hon. Mr. Lougheed in minimizing the efforts of the commission and the results it has achieved.

I might say that much valuable assistance has been rendered to the Governments of the different provinces and to the municipalities of Canada by the commission, which has placed the services of its experts freely at their disposal. Frequently, it is neither possible, nor as an economical proposition advisable, for the provinces or municipalities to employ highly paid experts whose services may be required for only a limited time or for only a portion of the year. Again, the fact that these experts are officers of the commission carries weight with the man in the street, who is not in a position to valuate the services of expert professional men.

Let me go into some details of the work of the commission. Take statistics, for instance. The commission repeatedly called attention to the inadequacy of the statistics published from time to time, and prior to the organization of the present Statistical Branch, which is giving such excellent service, urged the creation of an efficient organization along these lines.

The commission also has acted, and still acts as a bureau of information, and furnishes much valuable data to investors, business men, farmers, and others interested in the development or utilization of our natural resources. The right hon. gentleman has referred to forests in particular. I believe that it is in connection with the conservation of the forest wealth of Can-

ada that the commission has accomplished perhaps the most commendable part of its work. The commission has devoted constant attention to the conservation of Canada's forest resources. The primary problem has been to check the enormous waste through forest fires. Investigations by the commission in the early years of its existence showed that forest fires started by locomotives constituted a very large percentage of the total number of fires occurring. For several years a propaganda to inform and enlighten public opinion as to the importance of this question was carried on, and the Commission of Conservation was instrumental—nobody will gainsay the fact—in securing legislation empowering the Board of Railway Commissioners to promulgate regulations for the prevention of forest fires along the railway lines.

In May, 1912, the board issued an order covering the railway fire situation very thoroughly and placed upon the railway companies, subject to the jurisdiction of the board, the responsibility for taking all measures necessary for the prevention and control of fires due to railway operation. This order obliged the railways to use the most efficient and most modern spark arresters and other protective devices, as well as to place fire patrols on dangerous sections of the lines in dry seasons. The result has been a great reduction in the damage caused by fires due to railway agencies. I wonder why, in the course of their remarks, both hon. ministers carefully avoided referring to this important part of the work of the commission. The results that have been thus obtained, if the Commission of Conservation had accomplished nothing further than this, amply justify all the money that has been expended by the commission since its organization ten or twelve years ago. The whole question of forest protection in Canada has been gone into thoroughly by the chief forester of the commission, and the publication of the results of his investigations has been of incalculable educational value. Now, while much has been done by the commission to prevent the destruction of forests by fires, a great deal has also been accomplished in taking stock of our forest resources, and making studies of the annual increase by growth. This may appear, on its surface, as a matter of no importance, but any one who will give a moment's thought to the subject will realize that it is most important that we should be made fully aware of the extent of the forest wealth of Canada. This work is being, and has been, done province by province, most of it through co-operation with Provincial Governments. The surveys of the forest resources of Canada being carried out by the commission have been heartily endorsed by the lumbering interests, who thoroughly appreciate the reliable information of the extent of raw material available not only to their industry but to the entire nation. The development which is now taking place in the pulp and paper industry is of such magnitude that every effort should be made to complete the surveys with the least possible delay.

There is another feature of the work of the commission in connection with the surveys of forests, and that is reforestation. In addition to pushing forward the survey of the extent and character of our forest resources, the commission is carrying out extremely important duties of the rates of production of commercial species on cut-over and burnt-over areas. The commission is therefore engaged upon a very important series of investigations, as it has been for a number of years, of the conditions governing the reproduction and the rate of growth of pulpwood species. The investigations have already shown that it takes much longer than has hitherto been supposed for cut-over lands to become reforested under natural conditions. From the results already available, it is believed that instead of a period of thirty years, as was generally believed formerly, it will take from fifty to one hundred and fifty years, to reproduce merchantable timber. It is not too much to say that, to a large extent, the permanence of our pulp and paper industries will depend upon the information obtained from the studies now being made and those that have been carried out in the past by the Commission of Conversation, and the use that has been made of the data obtained.

Now, let us look at the water-powers. This is more closely connected with the allusion made by the right hon. Prime Minister (Mr. Meighen), to the alleged interference of the commission with external affairs. When the commission began its work in 1910, it found that only the most fragmentary information was available respecting water-powers. In 1911, the commission published a report on "The water-powers of Canada," but only as regards the area east of lake Superior was much data available. Concerning the western provinces, there was scarcely any information of a precise character. A series of field investigations was begun, to make good this deficiency, and after years of painstaking work, both in the field, and

among the Dominion, provincial and private records, reports dealing with the water-power resources of the Prairie Provinces and British Columbia have been published. Thus it came about that the first adequate and reasonably accurate estimate of the extent and character of the water-powers of Canada is due to the work of the commission. The House will remember very well that during the years from 1910 to 1913, what might be termed a veritable raid was made by private interests to get control of water-powers. One of the most notable of these attempts was the project to dam the St. Lawrence river at the Long Sault. The matter came up for hearing before the International Joint Commission, and that body asked the Commission of Conservation to investigate the scheme and report upon it. It was not a move on the part of the Commission of Conservation for the purpose of interfering in external affairs; they were requested by the International Joint Commission to investigate and report upon the scheme. This report showed that Canadian interests were not given adequate consideration and that the safety of navigation was threatened. The report advanced the opinion that when the time came to develop the St. Lawrence water-powers it behoved the governments of Canada and the United States to undertake the work jointly, to divide the power equitably, and to supply it to their nationals at a price free from unnecessary tribute to private corporations. What was the effect of the commission's report? It resulted in the defeat of a Bill to incorporate a private company, and valuable water-powers on the St. Lawrence were saved from passing into the control of private interests. These things, I think, should have been stated fully in the Senate the other day, and I think that perhaps they ought to have been stated this evening by the right hon. gentleman. It is now proposed that the Long Sault rapids be developed by the Governments of Canada and the United States, but it should not be forgotten that but for the intervention of the commission, the title to this great water-power would have been alienated and, I make bold to say, would now be controlled by the Aluminium Trust, one of the greatest trusts in North America, if not, indeed, in the world. If I should not delay the House at this late hour, I would quote an extract from an editorial which appeared two or three days ago in the Toronto Globe referring to this very subject, but I will not take up the time of the House by reading it now.

The principles laid down by the commission respecting alienation of water-power have now been generally accepted by governments and by the people at large. These are: that no unconditional titles shall be given and that every grant or lease of power shall be conditioned upon the development in a specified time, public control of rates, and a rental charge subject to revision from time to time. Now, I do not desire to absorb too much time, but I will just, en passant, refer in brief, to some of the work that has been done for the conservation of land.

To ascertain, as fully as practicable, the condition of lands under cultivation, and whether the systems and methods of farming were resulting in the conservation of fertility and productivity, the commission conducted for several years surveys of conditions on groups of farms in representative districts in every province. These surveys, the detailed results of which were reported upon in the published annual reports, revealed the fact that in many cases fertility was being reduced, weeds were becoming increasingly prevalent, and systematic courses of rotation of crops were not being followed. On the other hand, in every group of farms surveyed some farms stood out conspicuously as examples of conservation and at the same time as illustrations of profitable agriculture. In consequence one of such farms in each of the first groups surveyed was chosen by the neighbouring farmers in co-operation with the commission, as an illustration farm. The illustration farm was not in any sense taken over by the commission. The illustration farmer did not receive any salary or subsidy. He agreed to accept regular visits from the expert adviser sent by the commission, and to put into practice on his farm only such advice or suggestions as he considered would prove profitable to him. The commission at first gave direct assistance to encourage the use of seed grain of first-class quality and suitability, to encourage the sowing of larger quantities of clover and grass seeds per acre, and to bring about more effective methods of cultivation to suppress weeds. In fact, by the combination of expert practical and scientific advice with the profit-making practices of the farmer, each illustration farm soon became, to an ever-increasing extent, an illustration of conservation through profitable use to neighbouring farmers. Meetings were held on these

farms to explain the system and methods and to demonstrate what these were accomplishing when applied, not on a government farm, but on one such as the farmers themselves occupied, and under conditions similar to those with which they had to do. The results were striking. The improvements were notable and numerous. There was a pressing demand for these illustration farms in other localities. But the commission, not being an administrative branch of the Government service and having accomplished its object in pointing to an effective means of promoting conservation—and profit—turned over the scheme to the Department of Agriculture. There is now an Illustration Farms Division of the Dominion Experimental Farm. I wonder why these facts have not been stated to the House, or to the Senate, or to the country.

Before illustrating the admirable pioneer work that the commission has done let me say that a department of the public service is loath to embark upon many lines of work unless it is obvious that such work is of commensurate value. The department fears that, if such work be taken up and fail to justify itself, it will be difficult or impossible to discontinue it. The commission, being an independent body, could undertake pioneer work. If the results achieved were not commensurate it could be dropped and it has, in some cases acted in this manner. If they proved of value the administrative department could carry the work on upon an adequate scale, and the commission could then devote its attention to other work.

I might also refer to the work done in connection with the conservation of the fisheries, of game, and of fur-bearing animals, but I will not delay the House much longer. In connection, however, with the fisheries I may say that the commission has given considerable attention to the Pacific coast salmon industry, particularly the valuable sockeye salmon, and its sustained efforts in making known the declining status of this most valuable fishery have done much to educate public opinion to the necessity for adopting conservation measures before it is too late, and to pave the way for the conclusion of an agreement between Canada and the United States, looking to the preservation and upbuilding of the salmon industry.

During recent months the commission has drawn Dominion-wide attention to the urgent necessity of guarding against the depletion of our resources in fur-bearing animals. As a result of the remarkable advances in the prices of furs, the most vigorous exploitation of these resources has been induced, and the threatened extinction of valuable fur-bearing species has become a matter of gravest concern.

I will not resume my seat without making an allusion also to the work of the commission in connection with the surveys of the mineral resources of Canada. I may say that as an initial step in regard to minerals, the mining engineer of the commission, in 1911, prepared a general summary of the mineral resources of Canada and outlined the more pressing questions connected with the industry. A special study was also made of mine accidents, and a brochure on the subject was published and distributed among miners and government mining authorities. Later, much attention was given to coal resources and an exhaustive report on the conservation of coal was issued in 1914. The Government, represented by the Prime Minister, this evening took some exception to the fine appearance of these reports. But there is some justification for preparing the reports in such a manner. You want first to catch the attention of the reading public by the external appearance of a book. That is so true that a declaration was made in the Senate by a staunch supporter of the Government, that while he never read the reports of the departments on these subjects he always read the reports of the Conservation Commission. In the report referred to, the problem of utilizing the lignite and low grade bituminous coals of Western Canada by means of briquetting was fully discussed, and later on a pamphlet on the subject was issued, reporting the latest progress in solving this problem. The most efficient use of our domestic fuel and power resources constitutes a national problem the gravity of which has been most forcibly impressed upon the Canadian people during the past year. The studies, made by the officers of the Commission of Conservation, of the different phases of this problem are of the greatest value, and have been admitted by the whole of the press of Canada without a single exception.

I will not say anything about public health. In view of the establishment of the Department of Public Health in Canada the activities of the Conservation Commission in this regard might be to a large degree discontinued.

Now, Mr. Speaker, the work of the commission has imparted, I submit, a wholesome stimulus to the activities of Government departments engaged in the administration of natural resources. I am sure the right hon. gentleman will readily admit that the different departments of this Government connected directly or indirectly with the natural resources have been very forcibly impressed by the activities of the commission, and they have received from the work of the commission an impetus which was never known before. Ten years ago most of these dpeartments gave little or no attention to any work of investigation for conservation purposes. I think this will be generally admitted. Now, in some departments considerable organizations have been built up to do work of a character which prepares for, promotes and accomplishes conservation. A marked change has come over the attitude of the public towards conservation during the ten or twelve years of the commission's life. It has become sensitive and alert to anything which indicates indifference on the part of public authorities, or hostility by private interests, to the principles and practice of conservation. This is particularly noticeable in the case of water-powers. The public has begun to realize what a valuable asset water-power resources are to a community, and no Government would contemplate permitting the alienation of great water-powers to private interests without conditions to ensure economical and efficient service and other appropriate returns in the public interest.

A great deal has been said, Mr. Speaker, by the minister who presides, I think, over the Department of the Interior (Sir James Lougheed) and by the right hon. the Prime Minister this evening regarding duplication of work. Let me say that the charge brought against the commission that it duplicates the work of some departmental organization is based on misinformation. Least of all is there any excuse for such an accusation respecting work of the Research Council, which was established I think about six years after the commission was created. If there has been overlapping in the slightest degree as between the Research Council and the Commission of Conservation no responsibility for such overlapping can be attached to the commission. In regard to fisheries in particular, the commission has had no staff expert, and its efforts have been restricted only to educational work and to special studies of a problem which either had not been made the subject of departmental investigation, or had been approached by the commission from an entirely different angle. The work done by the commission has been calculated to strengthen and not embarrass the departmental officials in promoting the economical development of Canadian fisheries. The minister in the Senate quoted the refusal—and I give only this instance—of the Editorial Board to sanction the printing of the pamphlet written by a certain Mr, Babcock dealing with the Fraser River salmon situation. This refusal is really due to friction, Mr. Speaker—and I know whereof I speak—between the provincial and the federal authorities, which the publication of the pamphlet would undoubtedly have helped to allay.

I do not desire to detain the House any longer, except to say that this charge of duplication or of infringing upon the prerogatives of some department has no foundation in fact. If the inter-departmental committee appointed to investigate this alleged overlapping had sought first hand information at the offices of the commission, it is safe to say that no such charges would have been made. The only work that the commission has done has been work that the departments were not doing, or were not doing completely. The plain fact of the matter is that the energy and vigilance of the commission have been of inestimable effect in stimulating the departments to deal with problems and conditions affecting the efficient use of Canada's natural resources which formerly received little or certainly no serious attention. If after the commission had demonstrated the utility of a certain line of study, similar studies were commenced by a regular department of the Government, the commission cannot be regarded as guilty of duplication. I doubt very much if the time has arrived when Canada can afford to dispense with such services as have been rendered by the commission in supplementing and stimulating departmental activities.

There is only one ground, Mr. Speaker, upon which you can rest the case of the Government at the present moment, and that is the urgent necessity for the strictest economy. But if on the one hand you abolish the Commission of Conservation and save to the country $140,000 a year, and on the other hand you provide $400,000 or $500,000 for the creation of a scientific research bureau—only for the erection of the building for that bureau—I say that instead of effecting an economy you are launching into larger expenditure and very much along the same line.

Now, Mr. Speaker, I will bring my remarks to a close by reading a letter addressed to the assistant to the chairman of the commission, by Mr. Ross, who was formerly minister in the British Columbia Government. I think he was minister of—

Mr. MEIGHEN: Lands and Mines.

Mr. BELAND: Thank you. The letter is dated February 24, 1921. It deals in particular with the publication of a certain report on the water-powers of British Columbia, of which much mention was made by Sir James Lougheed in the Senate the other day as being a work that was mainly a duplication of what had already been done by some departments of this Government. This is the letter:

JAMES WHITE, Esq.,
Assistant to the Chairman,
Commission of Conservation.
Ottawa, Ontario.

Dear Mr. WHITE,—

I duly received from your office a copy of "Water Powers of British Columbia" by Mr. Arthur V. White, consulting engineer, assisted by Mr. Charles J. Vick.

I have purposely delayed acknowledging its receipt in order that I might look through its contents so as to be the better able to form an opinion on its merits.

The subject dealt with so exhaustively by Mr. White is one with which I had much to do, and particularly during the formative stages of the present system of provincial water administration in British Columbia. This was one of the important branches of the Lands Department over which I had the privilege of presiding in the years 1910 to 1916 during which period I was able to be of some slight assistance to Mr. White in the assembling of his data. For this reason I have gone over the volume in its entirety, which has given me much pleasure as well as the satisfaction of feeling that one has contributed, even if in a small way, toward the splendid result which Mr. White has achieved in this volume.

I feel that the volume is an accurate, painstaking and complete textbook on the subject of which it treats and is one in which the Commission of Conservation may well take pride.

Mr. White is personally entitled to a very large measure of credit as well as thanks from the public of this province for the completeness of his research as well as for his method of compilation, which renders the contents of the volume so handy for ready reference.

Yours very truly,

(Sgd. WM. S. ROSS.

Now, perhaps I may quote one or two extracts from papers published in British Columbia. The Vancouver Daily Province is a newspaper which, no doubt, my hon. friend who represents so ably that part of the country must know. Here is what the Daily Province says of the report to which I have referred:

An authoritative, comprehensive and scientific record . . . . The Commission has rendered the Province full justice in the careful and detailed research, and in clear and adequate exposition.

What does the Victoria Daily Times say:

A magnificent report . . . . An exceedingly valuable document and in its preparation the Commission of Conservation has performed a valuable service to British Columbia.

What does the Vancouver Daily World say:

A monumental work . . . . What it does not contain upon the subject no one need trouble about.

What does the Vancouver Daily Sun say:

A complete compendium . . . . The manner in which the information is presented, with adequate maps and handsome illustrations, is a credit to every one who shares the responsibility.

I quote from the Victoria Daily Colonist:

Is easily the outstanding work of its kind yet put out in Canada . . . . lifts the theme of water-powers to a new sphere of interest . . . There is no publication dealing with any resource of the Province . . . . which is so complete . . . . It will remain a standard publication and the most exhaustive authority on the subject for many years.

Then there are comments from the Canadian Engineer and the Electrical News, two technical journals, which I shall not quote. In a word, Mr. Speaker, the Commission of Conservation, in my opinion, and in the opinion, I think, of the great majority of citizens of this country, has rendered useful, efficient service. It has rendered service to the country that may not be fully appreciated at the moment but which will be appreciated more and more as time goes on and as the natural resources of the country come to be more fully developed.

Mr. JACQUES BUREAU (Three Rivers): Mr. Speaker, I do not think that the reasons brought forward by the right hon. Prime Minister (Mr. Meighen) are such as to justify the abolition of the Commission of Conservation, particularly when we have regard to the remarks made on this subject by the hon. member for Beauce (Mr. Béland). The Prime Minister mentioned three reasons in particular for the course which the Government has taken. He said that there had been overlapping, but he gave no instances. The hon. member for Beauce has pointed out that in many of these matter the cue was given by the Conservation Commission and the departments subsequently took them up.

This goes to show the ability and diligence of the commission in taking hold of these great questions affecting our natural resources. The second reason the Prime Minister gave was that on one occasion the secretary of the commission appeared before the International Joint Commission and that he read a list of those who formed the commission. Well, there does not seem to have been any great calamity involved in that; the Prime Minister has not shown that any disastrous results followed from the appearance of the secretary of the commission before that International Joint Commission. If the secretary of the Conservation Commission had done anything which was detrimental to Canada or anything which was not commendable, of course he would be subject to censure or to the loss of his position. The third reason given by the Prime Minister was on the point of expenditure. Well, if the services rendered are far greater than the expenditure incurred, then the expenditure is perfectly justified. But there seems to be something which has brought about this proposal to abolish the commission, some reason which has been suppressed. I think one of the senators may have stated the reason rightly, when he said he knew that the abolition of the commission was due to the—

Mr. SPEAKER: Order. I did not call the hon. member for Beauce to order when he made reference to the speech of a minister in the Senate, because of the exceptional circumstances and in view of the late stage of the session and the fact that the minister to whom reference was made is the head of a department. But it is a well known rule, and one which has always been very rigidly enforced, that there should be no reference in the House of Commons, to debates which have taken place in the Senate. I would ask the hon. member for Three Rivers particularly not to deal with specific references made by hon. gentlemen of the Senate.

Mr. BELAND: May I suggest by way of explanation, Mr. Speaker, that if I referred to the debate in the other House it was because the right hon. Prime Minister stated that he was not desirous of making a full statement in view of a fuller statement presented to the other House.

Mr. SPEAKER: Quite so. I have no doubt the Prime Minister considered that it was open to hon. members of the House to read the debates of the Senate. But the Prime Minister has no authority, and I am quite sure there was no desire, to take it upon himself to abrogate the rules of the House.

Mr. BUREAU: I bow to your ruling, Mr. Speaker. If I am well informed, an hon. gentleman occupying a high position in political life has stated that the proposal to abolish the Conservation Commission was due to the fact that two civil servants were very anxious to see the commission go out of business so as to advance their own interests.

Now, I shall not take up very much of the time of the House. I only want to point out that the reasons adduced by the Prime Minister are not sufficiently strong, in my opinion, to justify the course which is being taken. I do not think that the fact that some of the commission's reports were got out in nice bindings is a sufficient excuse for abolishing the commission. These books go broadcast throughout this country and other countries and I am sure that the Prime Minister would not, any more than I would, like to see a publication bearing the name of a commission carrying on a public service, a Government institution, go out to other countries in anything but decent form. I am sorry to see the Conservation Commission go out of business, because I think it has rendered great service. It has rendered splendid service so far as forestry is concerned. As has been stated by the hon. member for Beauce, the commission has educated the people in the matter of the preservation of our forests, and I know that they have made valuable suggestions as to the line of conduct to be followed in this connection. Of course, if the Government have decided on taking this action there is no use in our continuing the debate. But I want to express my regret and my sorrow at the abolition of this very useful body, composed of men representing the various provinces who have been getting together each year to discuss the resources of those provinces and the result of whose deliberations in concrete form has been spread all over Canada and sent to other countries as well.

Mr. MEIGHEN: Mr. Speaker—

Mr. SPEAKER: I must remind hon. gentlemen that if the Prime Minister exercises his right to reply the debate will be closed.

Mr. MEIGHEN: I know that I owe it to the House to be exceedingly brief, even if I do not do full justice to the very com-

prehensive remarks of the hon. member for Beauce (Mr. Béland) and of the hon. member for Three Rivers (Mr. Bureau). I do not doubt for a minute the bona fides, or indeed the sincerity, of the hon. member for Beauce in the strong plea which he has made, but I do think he has been imposed upon by members of the commission, with whom he has been associated.

This decision on the part of the Government has not been come to precipitately, nor without consideration; nor has the Government been stampeded by the evil designs of two civil servants. I have been associated with the question very closely for four years and more. The difficulties inherent in the situation were impressed upon me, and it was not after consultation with one or two civil servants or heads of branches, but after very many consultations on the part of a committee of the Government, and, indeed, with all affected, and after the most thorough review of the question from the ground up that this decision was arrived at. I could go into details of all the matters presented by the hon. member for Beauce. I have heard that case urged before; it has all been put before me not in such good form, but in substance pretty much the same, and I am convinced that there is very little in what has been pressed upon the House by the hon. member. I do not wish to be understood as saying that the commission has not rendered good service; but those words are largely applicable to the initial work of the commission which, in my humble judgment, it must have been designed to perform, namely, to investigate in a broad way the general subject of conservation, and having done so, to advise as to the lines of policy to be pursued. It did that in relation to forest fires started by railways, and it indicated legislation that it thought should be enacted, empowering the Railway Commission in this regard. That legislation was enacted; the Railway Commission took the matter in hand as the administrative body, and very probably good has resulted. I believe the legislation was good; but now we have a forestry service; we had to have it to carry out a forestry conservation policy at all. That forestry service must necessarily be ascertaining data all the time; it has to do that to carry out its administrative functions. Why should there be another body and an irresponsible one doing the same work? The hon. member says that we have a Department of Health, so that the commission does not need to operate any longer as regards public health. Having admitted that—and he is perfectly right—he throws up his whole case as to water-powers, because we now have a Water-power Branch; he throws up his whole case as regards forestry, because we now have a forestry service.

Mr. BELAND: We had it before.

Mr. MEIGHEN: No, it did not exist in 1909; it was established between that and 1912; before that no real forestry policy was developed. I have here a memorandum covering the subject very fully. As regards fisheries I could quote from some proceedings of the commission itself, which would establish most definitely that it really was anomalous to have the Conservation Commission even acting in an advisory capacity as regards fisheries. At the meeting it was admitted that they had no one competent to advise, and they sought, and continued to seek until 1918, to have some one upon whom they thought they could rely in this regard. They persuaded a Dr. Jones to undertake this work, and Dr. Jones, upon being requested to do so, said that he had not only an open mind but almost a vacant one on the subject; that while he would be glad to try the experiment for a year, if he did not accomplish anything, he supposed some one else would take the matter up. They did not succeed in getting that expert until 1918, and I do not think they have succeeded yet; but they were offering "advice on fish culture, oysters, salmon, white fish; they published a small library of expert treatises, and tried their hand in settling international, federal and provincial fishery disputes." That is an example of what went on in that regard.

The hon. member mentioned—and this is of some importance—that this idea arose from a similar one that had taken root in the United States, from a movement that at that time had reached considerable magnitude, a movement that generated from the belief that the resources of this continent were being depleted at too rapid a pace and that the attention of Government should be very forcibly directed towards the need of their conservation. It took its rise from that movement and an organization was formed in the United States, a Commission of Conservation, for like purposes to that which was formed in this country. But the hon. gentleman must be aware that the United States commission has not sought to plant its roots permanently in the soil and to continue indefinitely as an expensive Government de-

partment irresponsible to a minister. The functions of the United States commission have been either discharged or since allocated to appropriate departments. That is what we seek to do here; that is what I think, if I may say so, should have been done before this.

The hon. member mentions that the commission was asked by the International Joint Commission to make a report as to the Long Sault. That is only natural; but that did not constitute the commission an advisor as to public policy before the International Joint Commission, and the commission came as adviser on public policy before the International Joint Commission in connection with the application for a diversion. That occurred in 1918, and this country found itself represented by two bodies, the Government on the one hand and the commission on the other. Is that not overlapping? Could anything more absurd be conceived? The hon. member says that the expenditure is not sufficient; that there has not been overlapping shown. Let me just cite some overlapping. There is overlapping in water-powers; in connection with that power report from British Columbia, 133 pages were appropriated from the report of the Water-power Branch, simply embodied in it, and the name of the director was put down as co-editor of the report. That is all printed as a separate booklet. And what business have we in connection with water-powers that we do not own, taking upon ourselves the expense and responsibility of a compilation and an expensive investigation of them? We should do that in connection with the powers we do own; but as regards the others, we should merely co-operate with the provinces in giving them the general advantage of the information that we have. That is what we are doing respecting Nova Scotia and New Brunswick, and, I think, in respect of the water-powers of British Columbia unnecessary expense was gone to simply because we had an irresponsible commission. There is overlapping in connection with External Affairs, and I have given that instance. There is also overlapping as regards Mines. As regards all this lignite investigation work, I think it is presumption on the part of the commission to claim that the results are in any way traceable to them. I think the same is true as to other investigational work mentioned by the hon. member. It is true as regards the Long Sault dam. I do not think the commission would come to this House now and say that it was responsible for saving this country from a calamity in regard to the Long Sault; I do not believe the hon. member credits this himself. I do not want to delay the House further. While I do not say that any useful work that the commission is carrying on should be discontinued, I do say that the work which it is carrying has to be carried on by administrative functions of Government, whether the commission does it or not. So, why have it done by two bodies simultaneously and at double expense? And why particularly have it done by a body over whose expenditures we have very unsatisfactory control?

Motion agreed to, Bill read the second time, and the House went into committee thereon, Mr. Boivin in the Chair.

On clause 1—repeal.

Mr. FIELDING: Two points made by the Prime Minister seem to be good argument. One is that there is a large measure of overlapping between the work of the commission and the work of the department, and that should be avoided. The second point is the absence of any proper link of connection between the executive power and the commission. It occurred to me not very long after the commission was appointed that there was a weakness in that respect. I am strongly of the opinion that for every branch of the public service provided for out of the public treasury, there should be somewhere a responsible minister answerable to this Parliament. I think that is a sound principle, and I wish I could feel it had been adopted as fully as my right hon. friend thinks in relation to the railways. However, we need not dwell upon that. I have felt all along that, excellent as was the work of this commission, it would have been better if it had had that connecting link. In view of all the important work it has done, and of the great number of volumes it has published, and the general excellent character of its work, I regret that the Government have felt that the only remedy is the abolition of the commission. I think that it would have been wise to establish that necessary connecting link and bring the commission under the authority of some responsible minister, and gradually work the two things into harmony. In view of the excellent work that has been accomplished by the commission, I think it is a pity that the Government have taken the extreme step of abolishing it.

Apart from the immediate officials of the commission, there are a large number of

gentlemen throughout the country who have taken an interest in its work, and who without reward or fee have given their services from time to time. I think that service also was worth preserving for the assistance and advice of the Government, and I therefore express my regret that the Government have felt that the only remedy for these evils, if they be evils, was the abolition of the commission. I would much prefer that those services be utilized, and I had hoped that it would be possible to do that without abolishing the commission. The overlapping, I think, could have been avoided, and a connecting link could have been established between the work of the commission and the Government, through a responsible minister. I think that would have been wiser than to abolish the commission.

Mr. BELAND: No doubt the Government intends to retain the services of the high officials of the commission, such men as Mr. James White, for instance, who from the inception has been the Secretary, and later Assistant to the chairman of the commission. I have many times heard the Hon. Mr. Sifton, who acted as the chairman of the commission for I think some seven or eight years, speak in very high praise of Mr. James White, and I have myself on many occasions been in a position to judge of his ability and his fitness for a very important post in almost any department of the Government, in some department, at all events. I have no brief to speak for Mr. White. I have not seen him or heard from him for almost a year, and there was no question then of the commission being abolished. I speak absolutely independently of any suggestion on his part. Some of the other officials have also won the commendation of the commission and I hope the Government will find a way to utilize their services in some of the other departments.

Section agreed to.

Bill reported, read the third time, and passed.

On the motion of Right Hon. Mr. Meighen the House adjourned at 12.58 a.m. Friday.

Friday, May 27, 1921

The House met at Two o'clock.

REPORTS AND PAPERS

Tenth report of the Select Standing Committee on Miscellaneous Private Bills.—Mr. Steele.

Correspondence between the Government of Canada, the Government of Ontario, and the Government of Manitoba with respect to the control of the waters of the Lake of the Woods.—Right Hon. Arthur Meighen.

BUSINESS OF THE HOUSE

PRIVATE BILLS

Mr. M. STEELE (South Perth) moved, that the Bills reported this day by the Select Standing Committee on Miscellaneous Private Bills be placed on the Order Paper for consideration by Committee of the Whole this day.

Mr. J. J. DENIS (Joliette): Mr. Speaker, I think both Houses should be made aware of these Bills. The other day a similar motion was passed, and afterwards about twenty-five Bills were presented, including divorce and other private Bills, of which we knew absolutely nothing, the Bills not having been printed and distributed. I do not think it is fair to pass legislation in this way. I might state, further, that such a motion requires the unanimous consent of the House.

Mr. CASGRAIN: It does not protect the rights of the people.

Mr. SPEAKER: Rule 40, which is the rule governing notice, specifically exempts Private Bills; and my information is that it has been the invariable practice of the House to interpret this rule as requiring no notice of motion in respect to Private Bills. That being so, in my judgment the motion is in order. Is it the pleasure of the House to adopt the motion?

Motion agreed to.

PRIVATE BILL

FIRST READING

Bill No. 217 respecting the Calgary and Fernie Railway Company.—Mr. Stevens.

PRIVILEGE—MR. KAY

Mr. W. F. KAY (Missisquoi): Mr. Speaker, I rise to a question of privilege. On page 4011 of unrevised Hansard of May 25, in the vote on the Bill for the Manufacture of Oleomargarine, I find my name among those voting for the amendment, which is quite correct. I find, however, that my name is also given in the list of pairs furnished by the whips. I beg to state that before I came into the chamber I was advised by the chief whip on my side that there were no pairs.

Mr. SPEAKER: Did the hon. member vote?

Mr. KAY: Yes.

Mr. SPEAKER: I will see that the necessary correction is made.

CENSUS ENUMERATORS

On the Orders of the Day:

Mr. A. B. COPP (Westmoreland): Mr. Speaker, in view of the announcement that the work of the census enumerators is to begin on the first day of June, I beg leave to direct the attention of the right hon. Minister of Trade and Commerce (Sir George Foster) to information I have received that, although about one-third of the population in the city and one-half of the population of the county of Moncton are French speaking, the enumerators appointed—

Mr. SPEAKER: Order.

Mr. COPP: I want to ask a question.

Mr. SPEAKER: Even so, the hon. member could hardly do that on the Orders of the Day. Apparently the enumerators have been appointed, and the hon. member is in effect calling attention to an omission on the part of the Government, which he could not do at this stage.

Mr. COPP: No, Mr. Speaker, I want to know if my information is correct that the census enumerators appointed in that section are not French-speaking gentlemen.

Right Hon. Sir GEORGE FOSTER (Minister of Trade and Commerce): My attention was called to this by the Prime Minister and I referred the question to the Dominion Statistician. I have not yet received word from him. My impression is that enumerators have already been appointed and have been under instruction. I have always thought it was only right that amongst the enumerators in French settlements of English-speaking counties, there should be gentlemen who understood the French language.

Mr. COPP: Otherwise it is impossible to carry on the work in some sections.

GRAIN INQUIRY

On the Orders of the Day:

Hon. A. K. MACLEAN (Halifax): I would like to ask the Minister of Trade and Commerce a question which, even without formal notice on the Order Paper, possibly he might answer to-morrow. What salaries are being paid to members of the Royal Commission now conducting an inquiry into the grain business in the western provinces; also what are the names of the secretaries, reporters and staff employed, together with their salaries.

Sir GEORGE FOSTER (Minister of Trade and Commerce): I will give my hon. friend a complete answer to the question to-morrow.

BUSINESS OF THE HOUSE

On the Orders of the Day:

Hon. W. L. MACKENZIE KING (leader of the Opposition): We have had one or two assurances from the Prime Minister that all the legislation the Government intends to bring down has been brought down, but I understand that the Government still has some legislation in contemplation. May I ask for a definite assurance as to any further legislation which is to be introduced, either in the Senate or in the House of Commons, and if none is contemplated, to be so informed?

Right Hon. ARTHUR MEIGHEN (Prime Minister): I do not think I have given any assurance in that regard that has not been correct, nor do I think there is any further legislation. Of course there is the Bill of which notice was given yesterday, but I cannot think of any further legislation that the Government has in mind.

JUDGES ACT AMENDMENT

Consideration of a message from the Senate insisting upon its second and third amendments to Bill No. 60, to amend the Judges Act.—Right Hon. Mr. Doherty.

Right Hon. C. J. DOHERTY (Minister of Justice): Mr. Speaker, the Senate having insisted upon the amendments which they made to this Bill and in which this House declined to concur, and there being reason to hope that a conference on the subject might lead to an agreement, I beg to move:

That a message be sent to the Senate respectfully requesting a free conference with Their Honours to consider certain amendments made by the Senate to Bill No. 60, intituled: "An Act to amend the Judges Act," to which amendments this House has not agreed and upon which the Senate insist, and any amendment which at such conference it may be considered desirable to make to the said Bill or amendments thereto.

Motion agreed to.

PENITENTIARY ACT AMENDMENT

BILL WITHDRAWN

On the Order:

Second reading of Bill No. 201, to amend the Penitentiary Act.—The Minister of Justice.

Right Hon. C. J. DOHERTY (Minister of Justice): The House will recall that when this Bill was introduced the suggestion was made that certain of its provisions perhaps called for more mature consideration than it would be possible to give them at the present time. I have attached to that representation the weight to which it seemed to be entitled, and I have gone over the existing legislation. As it appears that the principal or more important matters covered by this Bill can be dealt with in a certain measure without legislation, and as, therefore, the plans in mind can be initiated without this legislation, in accordance with the suggestion made I beg to move that the order for this Bill be discharged.

Motion agreed to.

SUPPLY

The House in Committee of Supply, Mr. Boivin in the Chair.

Public Works—harbours and rivers—Ontario, $370,850.

Mr. McMASTER: I move that the appropriation be considered item by item.

Motion agreed to.

Collingwood—breakwater reconstruction, $25,000.

Mr. CAHILL: What is the explanation of this item?

Mr. McCURDY: This revote is required for the completion of a contract with the York Construction Company for the reconstruction of 750 feet of the superstructure at the outer end of the eastern breakwater, in reinforced concrete. The estimated cost was $50,000. Last year $25,000 was expended; accordingly the amount required to complete is $25,000.

Mr. BUREAU: Will that complete the work?

Mr. McCurdy: Yes.

Mr. BUREAU: In what riding is Collingwood?

Mr. McCURDY: North Simcoe.

Item agreed to.

Depot Harbour—repairs and renewals to wharves, $15,000.

Mr. BUREAU: Last year the appropriation amounted to $36,000. Did that cover repairs also, and were the repairs done under contract?

Mr. McCURDY: The work is under contract. This amount is required to complete the construction.

Mr. BUREAU: What county is that in?

Mr. McCURDY: Parry Sound.

Item agreed to.

Kingston—maintenance and operation of combined wharves and bridges, $17,900.

Mr. CAHILL: What is the explanation of this item?

Mr. McCURDY: This amount is for maintenance and operation of the combined roadway, wharves and bridges over the Cataraqui river at Kingston.

Mr. COPP: Was the amount of $12,800 voted last year, spent?

Mr. McCURDY: Yes.

Mr. COPP: Is this a continuation of the works, or repairs? Or what is it?

Mr. McCURDY: The appropriation asked for this year is for replanking and repainting the bridges. Many public works are in such condition that they call for continuous and extensive repairs, and it is sometimes difficult to tell exactly where to draw the line. Last year, as I have said, the amount of $12,800 was expended towards keeping this work in some sort of decent repair, and the amount asked for this year is absolutely necessary.

Mr. CAHILL: What proportion of this appropriation is to be expended on the road?

Mr. McCURDY: Details of last year's expenditures are as follows:

Power for this work	$1,400
Light	700
Oils and gasoline	350
Globes, lamps, fuses, etc.	350
Road maintenance and new roadway surface	2,000
Replanking bridges	4,500
Repainting bridges	3,500

Mr. CAHILL: How is it that the Dominion Government have to maintain a roadway at Kingston?

Mr. KEEFER: Anyone who has been there and remembers the roadway across to the Royal Military College will

understand. It is a causeway across the water; it had to be built and made permanent. It is not a road in the city or anything of that nature; it connects across to the Royal Military College.

Mr. CAHILL: Is the road on Government property?

Mr. CURRIE: Yes.

Mr. EDWARDS: There used to be a wooden bridge—built by a company in the first place—across at that point. The Dominion Government paid to that company each year a certain amount in tolls, so that when the military camp was held across the bridge, people going to and from it, and the Royal Military College could pass without paying tolls. The tolls were paid in a lump sum by the Dominion Government. When the late Hon. F. D. Monk was Minister of Public Works and the old bridge was in a deplorable state and was very dangerous—as admitted by the late Sir Frederick Borden, when he was Minister of Militia, the bridge was acquired by this Government and this new structure was put in its place. The new structure is in the form of a fill for part of the way; but there are two permanent bridges and one jack-knife bridge to admit of the passage of vessels. It is more than a roadway; it is more than a bridge; it is intended as well as a protection to the inner harbour at Kingston. As regards repairs on the roadway itself, I think every person will understand how those repairs have been required both last year and this. As has been stated, this was in great measure a fill in; it was surfaced immediately after it was first constructed, but it naturally settled. It was a filling across this piece of water, and while it looked perfectly firm when it was first constructed and rolled, it settled, and repairs had to be made on it the next year. I fancy that perhaps, repairs will have to be made for some little time until the roadway becomes thoroughly settled and firm. It was decided some years ago, if I mistake not, when the Laurier Government was in office that it would pay the Government to construct this bridge or causeway, not merely as a means of getting from the city across to the Royal Military College, but for the purpose of straightening out the channel. The swing bridge in the old structure was close to the city side, and as a result of that accidents frequently occurred in attempts to navigate this tortuous channel. Therefore, for the benefit of navigation, in order that the channel might be placed out in the centre as it is now, this new structure was built. It was also considered to be in the interest of the Militia Department, which was paying annually a sum of money in the way of rent, that the Dominion Government should acquire the property and thus escape the payment of tolls. There was also considered very carefully the advisability of making a fill and thereby doing work in the way of protecting the inner harbour, which work would have to be done at some time if a fill were not made. I do not think any money has been wasted on this bridge. When it was under construction there was some difficulty; I think the first firm, Fallon Brothers, that had a contract, lost money and had to give up their contract. I think this work is being pretty well looked after, and the structure certainly should be painted—in fact, it should be laid down as a definite policy and carried out carefully that wherever you have Government iron bridges, they should be kept painted.

Item agreed to.

Owen Sound—wharf reconstruction, $70,000.

Mr. CAHILL: How much was spent on that last year?

Mr. McCURDY: The contract was let last year, but no progress was made with the work. The contractor has assembled the materials and is now ready to proceed.

Mr. COPP: What was the contract price?

Mr. McCURDY: There were five tenders received, the lowest being that of E. Conroy, for $89,768.40. The others ran up to as high as $143,000.

Mr. COPP: Has anything been paid out on the contract yet?

Mr. McCURDY: No.

Mr. COPP: The contract is for $89,000 and you are asking for a vote of only $70,000.

Mr. McCURDY: The vote we are asking will pretty well cover the work that will be done this year. The contract will hardly be finished by this time next year.

Mr. CAHILL: What constituency is this in?

Mr. McCURDY: North Grey.

Item agreed to.

Port Colborne — repairs to breakwaters. $55,000.

Mr. CAHILL: What is the explanation of this?

Mr. McCURDY: This is for repairs to the west breakwaters, covering three lengths of 496, 134 and 31 feet, respectively, which were severely damaged by storms. This is a very important port, and the works cannot be allowed to go into disrepair.

Mr. ARCHAMBAULT: I understand that there is a vote in the Supplementary Estimates also for repairs to Port Colborne.

Mr. McCURDY: My hon. friend no doubt refers to the vote that is being asked for by the Railway Department for repairs to the elevator at Port Colborne.

Item agreed to.

Rondeau — harbour repairs and improvements, $10,000.

Mr. PARDEE: What is that?

Mr. McCURDY: This vote is required to complete the contract let to the Border Cities Construction Company for the reconstruction of 227 feet of superstructure of the west pier; also to complete the contract for the construction of a close-faced sheet-pile wall, 320 feet long, and for general repairs to the decking on both piers.

Item agreed to.

Thessalon — to complete reconstruction of wharf, $12,250.

Mr. CAHILL: Will the minister explain this item?

Mr. McCURDY: This revote is required to remove the old rotted superstructure and reconstruct with concrete the remainder of the wharf, consisting of the outer 115 feet by 20 feet, and the headblock 100 feet by 25 feet.

Mr. CHISHOLM: What constituency is that in?

Mr. McCURDY: East Algoma.

Mr. PARDEE: Why is that necessary this year if it was not necessary last year?

Mr. McCURDY: It was impossible to get what was regarded as reasonable prices for doing the work the previous year, but last August tenders were called again, and one of $10,770 was received, the others running to $18,000 and even over. The chief engineer's estimate was $11,447, and as the lowest tender was well within that mark it was accepted.

Mr. PARDEE: You are asking for more than the amount of the contract.

Mr. McCURDY: In addition to the contract price there are certain charges that have to be carried, such as inspection, advertising, and other contingencies that are always connected with a work of this character. The engineers in their estimates always include a percentage for contingencies that may develop during construction.

Mr. PARDEE: Is not the inspection done by the officers of the department?

Mr. McCURDY: No. As a rule on works of this kind outside inspectors are engaged.

Mr. PARDEE: Somebody in the locality, I suppose?

Mr. McCURDY: Yes. All these works come under the direction of the district engineers, who have a general supervision over the work, but somebody has to be there all the time to check materials, and so forth.

Mr. PARDEE: Are these inspectors appointed by the Civil Service Commission?

Mr. McCURDY: Yes.

Mr. ARCHAMBAULT: Does my hon. friend mean to say that the district engineer names a local inspector, who then has to be appointed by the Civil Service Commission?

Mr. McCURDY: Yes.

Item agreed to.

Manitoba—harbours and rivers generally—repairs and improvements, $15,000.

Mr. MOLLOY: What harbours and rivers are included in this?

Mr. McCURDY: A general vote is taken for each province to take care of the small emergency repairs that may be required during the year. The expenditure in the province of Manitoba under this head last year was $9,030.26.

Mr. MOLLOY: Where?

Mr. McCURDY: This is the list:

Generally	$3,017 58
Le Pas Wharf	1,294 67
Winnipeg Office Staff	1,306 97
Delta Protection Works	2,747 19
Sale of Twin Screw Steamer at Selkirk, Man.	47 60
High Bluff	316 25
Victoria Beach Protection	300 00
Total	$9,030 26

Mr. PEDLOW: I understand there was a sum of money spent on this general vote last year upon The Pas wharf.

Mr. McCURDY: Yes, $1,294.67.

Mr. PEDLOW: There was also a vote in the Estimates for this particular item last year of $14,800. Has all of that amount been spent in addition to this other amount?

Mr. McCURDY: Yes. The larger sum my hon. friend mentions was spent under contract, but this smaller amount was for necessary repairs and the expenditure was carried out by the department itself.

Mr. PEDLOW: On the same wharf?

Mr. McCURDY: The larger sum was spent in extension of the wharf at The Pas. The amount of $1,294 was spent on repairs to the inner part of the wharf.

Item agreed to.

Selkirk—repairs to wharf, $15,000.

Mr. MOLLOY: This wharf is in Selkirk town?

Mr. McCURDY: Yes.

Mr. MOLLOY: What has been the total cost up to date in connection with it?

Mr. McCURDY: The total expenditure for all purposes on this wharf, including dredging up to March 31, 1920, was $101,095.14.

Item agreed to.

The Pas Wharf, $7,000.

Mr. EDWARDS: Where is this wharf?

Mr. McCURDY: In the constituency of Nelson.

Mr. SINCLAIR (Guysborough): What was the amount of traffic at this wharf last year?

Mr. McCURDY: The District Engineer, Mr. Burbridge, reporting on the commercial necessity of this wharf, states that the extension of the present wharf is required to handle increasing traffic coming to and leaving the port of The Pas. This port is the distributing point for all points on the Saskatchewan river and its tributaries. One firm handled 800 tons of freight alone, and 7,500 tons of copper ore were landed at The Pas in 1920. The Provincial Government I am informed is building a railway to the large copper deposits of Northern Manitoba, and the material to be used will have to be handled by water.

Item agreed to.

Alice Arm—wharf—conditional on Provincial Government building road, $18,500.

Mr. SINCLAIR (Guysborough): According to the item, this work is conditional on the Provincial Government building a road. What does that mean?

Mr. McCURDY: Alice Arm is a mining town of growing importance a hundred miles north of Prince Rupert. The population at present is approximately 400. A regular boat service is maintained by the Union Steamship Company to Vancouver, and considerable quantities of supplies, mining machinery, etc., will go into the country in the next few years. A short rail line from the proposed wharf to the Dolly Varden mines will be built.

Mr. FIELDING: Is this a new wharf?

Mr. McCURDY: This vote has been asked for and granted year by year. The construction has been delayed in view of a prospective understanding with the Provincial Government that a road would be built to connect the wharf with the district which will be served by the wharf. The road is under contract now. The Provincial Government have given a contract for its completion and it is anticipated that the construction of the wharf will be proceeded with.

Mr. SINCLAIR (Guysborough): How much has been spent on the construction to date?

Mr. McCURDY: Nothing.

Mr. FIELDING: Is it a new wharf?

Mr. McCURDY: Yes.

Mr. FIELDING: Is not that a departure from the general policy laid down, that no new works will be undertaken?

Mr. McCURDY: It was decided some years ago to construct this wharf and a vote has appeared in the Estimates from year to year. The Estimate this year is therefore only a revote, the policy in regard to this construction having been decided, presumably, when the vote was first granted. As I have explained, the construction was deferred because of negotiations with the Provincial Government, and it is felt that it would hardly be proper, now that they have fulfilled their part of the bargain and have agreed to build the road, that we should recede from the undertaking.

Mr. FIELDING: We are being told in all other parts of the country that no new wharves will be undertaken, and the

hon. minister is not living up to the principle he has laid down. I am afraid he will find this departure embarrassing for him elsewhere.

Mr. SINCLAIR (Guysborough): In what constituency is this work to be done?

Mr. McCURDY: Skeena.

Item agreed to.

Boswell—floating wharf, $8,500.

Mr. CHISHOLM: Is this a new construction?

Mr. McCURDY: It is a new construction but it is also a revote.

Mr. LAPOINTE: The hon. member for Shelburne and Queen's (Mr. Fielding) is perfectly right. The fact that these things may have been decided upon years ago is no excuse for commencing new constructions now, when we have no money. Expenditures should be curtailed, and I for one protest against any money being voted for new wharves or any other new public works.

Mr. McCURDY: This is a float that takes the place of a pile wharf that was destroyed by storms. In one sense it is a new work, but as it takes the place of a structure which has been serving the business of the district, my hon. friend will admit that it is hardly in the category of new undertakings.

Mr. LAPOINTE: There are works in the city of Quebec which were stopped when the war broke out. They are still unfinished, and it is not fair for this House to vote money for new construction when works already begun are not being completed.

Mr. LAVIGUEUR: I endorse the remarks of the member for Quebec East (Mr. Lapointe). In Quebec we have been asking for repairs to a wharf destroyed by the flood in 1918, but the Government has always stated that they had no money. If they have no money for Quebec, how is it that they can afford expenditures somewhere else?

Mr. McCURDY: If my hon. friend will refer to the Estimates he will find that there is provision for works in the province of Quebec. The task of keeping up structures is a difficult one; it is not easy to determine exactly when repairs should be gone on with and when works should be allowed to stand over for another year. The officials of the department are very often put to it to correctly draw the line. I can assure my hon. friend that every effort is being made to care for the works that are in urgent need of attention throughout the country, and if he will look at the Estimates he will find that his province has not been neglected.

Mr. LAPOINTE: I did not mean the province, I meant the city of Quebec.

Item agreed to.

Carroll's Landing—wharf, $11,000.

Mr. CHISHOLM: That is a new wharf also.

Mr. McCURDY: Those members of the House who were present last year when the Public Works Estimates were under consideration will recollect that the acting minister stated that the appropriations then voted were to be expended. The item under discussion is a revote, and acting on the policy which was outlined last year tenders were asked for this work—it has been advertised and we have received very reasonable tenders to construct.

Mr. CHISHOLM: I accept the minister's word, but I must call his attention to the fact that there were certain amounts voted in the Estimates last year for works in other parts of the country, and I do not find them in the Estimates this year—urgent works too. I have in my mind's eye at the present time an appropriation that was in the Estimates last year, but, so far as I can see, these Estimates do not contain that item.

Mr. ARCHAMBAULT: Is this a new construction also?

Mr. McCURDY: Yes, but it is a revote.

Mr. SINCLAIR (Guysborough): Has the work been commenced?

Mr. McCURDY: Yes, tenders were called for and the contract has been awarded.

Mr. CHISHOLM: Tenders were called for in the case to which I have reference, but, for some reason or other, the contract was not awarded. The appropriation in question was revoted several times.

Mr. SINCLAIR (Guysborough): Will the minister say when the tenders were called for?

Mr. McCURDY: Tenders for this work were called for more than once. Tenders were first invited in August, 1920, and in the opinion of the chief engineer of the department they were all too high—they were above his estimate. In January of

this year tenders were again called for, and a tender $3,000 lower than the lowest tender on the previous occasion was received.

Mr. SINCLAIR (Guysborough): How much is it?

Mr. McCURDY: It is $7,800.

Mr. McMASTER: I hoped to have been able to discuss these questions of expenditure on wharves and harbours with some idea of the public service that these different works were given to our people, and two months ago I put a question on the Order Paper which was passed as an Order for Return. The schedule which should have been prepared, and which I should have had long ere this, would have given the expenditure for the last five years on capital and on operating account of these different wharves, the amount of upkeep which the Government was obliged to expend year by year, and the amount of tonnage which these wharves serve. If I could have had, and the House could have had, the advantage of this information we could have discussed these Estimates with considerably more benefit, I think, to the people, and I deeply regret that the Government was not able to give me this information. It is very hard for us, Mr. Chairman, to really criticise these works as they should be criticised, because we cannot tell just how much public benefit each wharf affords to the people of Canada.

Mr. McCURDY: The return which my hon. friend asked for is, as he knows, a voluminous one which necessitates going into the departmental records for the past five years of all public expenditures on harbours and rivers. I am sure he quite underrates the amount of clerical work necessary to produce the figures that he asks for. I will make inquiry of the department and expedite the compilation of the return in every possible way consistent with the carrying on of the other duties with which the officials are charged.

Item agreed to.

Fraser River (lower)—operation of snag boat, $30,000.

Mr. CHISHOLM: What is that for?

Mr. McCURDY: As the name implies it is a boat for the removal of snags. In navigation, as in other pursuits, snags should always be avoided wherever possible. Snags come down the Fraser river and are a great menace to navigation. The department some years ago went into the removal of these, and all the reports we have are to the effect that the expenditure is one which has been more than amply justified.

Mr. SINCLAIR (Guysborough): Who owns this snag boat?

Mr. McCURDY: The Department of Public Works.

Item agreed to.

Graham—wharf, $7,700.

Mr. CHISHOLM: This also is a new wharf.

Mr. McCURDY: This work is under contract.

Item agreed to.

Harbours and rivers generally—repairs and improvements, $95,000.

Mr. COPP: This vote appears in a very general way. Has the minister any information in regard to what he proposes to do under it?

Mr. McCURDY: As my hon. friend knows, the coast line of British Columbia is very extensive, and the people are dependent altogether, in many places, on water transportation. I have a list of the expenditures made last year on these sundry works, and it occupies a page and a half in the Estimate book. I will send the information to my hon. friend if he would like to peruse it.

Mr. LAPOINTE: How much of the $95,000 was spent last year?

Mr. McCURDY: $34,236.48.

Mr. COPP: Why is it necessary to expend any more than that amount this year?

Mr. McCURDY: It may not be expended. The expenditure may be much smaller this year, but we want to be on the safe side.

Mr. PARDEE: The minister expended only $35,000 last year. Why have such a wide margin? Would it not be better to take a smaller vote?

Mr. STEVENS: I would like to point this out to the committee. It is largely a question of emergency in these repairs. As the minister explained, the coast line of the province is exceedingly long. You have Queen Charlotte island, Vancouver island, and all the coast line of British Columbia, with innumerable wharves at small places which are completely isolated and dependent wholly on this method of transportation. Now the vote may not be needed, but on

the other hand, emergencies may arise. For instance there may be violent storms, like one storm of a year ago in which a whole wharf was washed away.

Mr. CHISHOLM: There may be an election, too.

Mr. McCURDY: The vote is the same as last year.

Mr. PARDEE: The emergencies are not more likely to happen this year than last year when only $35,000 was expended. For my hon. friend to ask for almost three times the amount that he knows from experience is likely to be required is entirely too much of a margin. I therefore move that the item be reduced by the sum of $45,000.

Amendment negatived on division: Yeas, 35; nays, 44.

Mr. BUREAU: I beg to call the attention of the Chairman to the fact that I counted thirteen members on the other side, even including my hon. and good friend the Minister of Finance, who came in after the question was put and the vote was being taken. I want to know if, when we are in committee, a member has to hear the question before he can vote on it.

The CHAIRMAN: The point of order raised by the hon. member for Three Rivers (Mr. Bureau) has often been decided before by the Chairman of Committee, both by the present incumbent and by his predecessors. A vote in committee is not a recorded vote. Any hon. member who is present in the chamber when the vote is being taken has the right to vote for or against the motion, and it is not necessary for him to state whether he heard the question put, or not.

Mr. BUREAU: What constitutes the taking of the vote; is it standing up and hearing the question?

The CHAIRMAN: The taking of the vote consists in putting the question and counting the members.

Item agreed to.

Ioco—wharf, $9.200.

Mr. McCURDY: This is to take the place of a wharf that fell into utter decay and could not be repaired.

Mr. ARCHAMBAULT: Is it new construction?

Mr. McCURDY: All construction under votes granted by this House is new, but in the sense I have explained this is not new construction, it takes the place of a wharf that has fallen down.

Mr. LAPOINTE: We cannot hear the minister at all.

Mr. ARCHAMBAULT: The minister states that all construction under these items is new, whether so indicated or not. Now we have an item for Ioco which is simply marked "wharf," and the minister states that it is a renewal. The next item, Kincolith, is marked "wharf renewal." There it is clearly indicated that it is to replace an old wharf.

Mr. McCURDY: I think I can explain that to the satisfaction of my hon. friend. At Ioco there was an old structure that became so dilapidated that it was impossible to repair it. Similar facilities are being created at the same place.

Mr. SINCLAIR (Guysborough): Is the new wharf on the same site?

Mr. McCURDY: A very short distance away.

Mr. PEDLOW: In what constituency is this Ioco wharf located?

Mr. STEVENS: I can answer that. It is situated at a small town called Ioco, of about 3,000 population, twelve miles distant from Vancouver. There are huge oil tanks and refineries located there.

Mr. PEDLOW: Is it on the seashore, or on the river?

Mr. STEVENS: It is on the upper reaches of Burrard Inlet.

Item agreed to.

Kuskanook—wharf, $5,800.

Mr. ARCHAMBAULT: Is that new construction?

Mr. CURRIE: If the hon. gentleman will look at the item he will see that it is a revote.

Mr. ARCHAMBAULT: I am asking a question of the minister.

Mr. SINCLAIR (Guysborough): It does appear to be a revote, but as the money was not spent last year it would look as if this was proposed for new construction.

Mr. CURRIE: The item—

Mr. LAPOINTE: We do not need a lecture from the hon. member for North

Simcoe (Mr. Currie). The fact that it is a revote does not indicate that it is new construction. He should learn himself, before teaching others.

Mr. McCURDY: This proposed work is in the same class as one or two other items which we have discussed. This is a revote, but for a new structure. After the authorization by Parliament last year, contracts were entered into and the work is now proceeding.

Item agreed to.

Ladysmith—wharf, $12,000.

Mr. ROSS: Is that a revote of last year's general Estimates or was it in the Supplementaries?

Mr. McCURDY: I am informed it was in the Supplementary Estimates of last year.

Item agreed to.

Manson's Landing—wharf, $6,500.

Mr. ARCHAMBAULT: Is that another new wharf?

Mr. McCURDY: This item is for a new wharf.

Mr. ROSS: In regard to all these wharves that are new construction, and said to be revotes, which I have no doubt they are, what is the reason for the increase in the amount required if no money has been spent? Take the case of Boswell, vote increased from $6,500 to $8,500; Carroll's Landing, vote increased from $7,000 to $11,000; Ioco, vote increased from $3,000 to $9,200; Ladysmith, vote increased from $9,500 to $12,000. What is the necessity for these increases?

Mr. McCURDY: In the case of Manson's Landing the amount asked last year was $5,500. Since that appropriation was made tenders have been called for and it has been found impossible to complete the work for that amount, the sum of $6,500 being necessary. It is not much of an advance; in some cases there are decreases.

Mr. ARCHAMBAULT: The vote for Manson's Landing is indicated as a revote, but I do not find it in the main Estimates of last year.

Mr. McCURDY: The records show that this is a revote and that the original vote was made in the Supplementary Estimates of last year.

Item agreed to.

[Mr. Lapointe.]

Princess Creek—floating wharf, $2,300.

Mr. SINCLAIR (Guysborough): Are these floating wharves moved from one place to another? Do they serve more than one locality?

Mr. McCURDY: No. It is a less expensive method of providing facilities that the department has adopted largely in British Columbia, where the water level changes.

Mr. CAHILL: Are these pontoon wharves or solid log floats?

Mr. McCURDY: Solid logs, I believe.

Mr. ROSS: I cannot quite understand the minister's explanation with regard to these increases. He has pointed out that these items were put in the Estimates last year and that tenders were called, but on account of the tenders being too high the works were not built. Am I right in that?

Mr. McCURDY: In some cases, yes.

Mr. ROSS: This year amounts are asked for much in excess of last year's votes. My hon. friend either has more money or there has been a change of policy. I would like an explanation of the anomaly.

Mr. McCURDY: Take, for instance, the vote asked for under the head of Carroll's Landing, where $11,000 is asked for, the vote last year being $7,000. It was the intention of the department that the work should be proceeded with even if it should cost more than the $7,000 asked for last year. When the Estimates were being made up this year the construction costs were still high and lower tenders had not been received. The deputy minister advises that the present Estimate was based on tenders which had been received. It was a matter for the department to decide whether the project should be laid aside or a vote sufficiently large to complete the work asked for.

Mr. LAPOINTE: I think we are entitled to an explanation from the minister as to the reason for the difference between appropriations for public works in different parts of the country. I know of instances where applications which have come to the Government for public works have been met with the reply that, on account of the state of the country's finances, the policy of the department was to start no new works, and public works which have been started have been suspended for the same reason. But now we find that new works are being started in other parts of the

country. We are entitled to know the reason for this discrimination.

Mr. SINCLAIR (Guysborough): The minister should be able to give us some explanation in regard to this matter. In Nova Scotia repairs have not been made to existing works. In my county a certain breakwater at Half Island Cove was partly broken down by storm in 1919. It was reported to the department that a very small sum would effect the necessary repairs, but no action was taken. The department was notified that if the matter was allowed to stand for another winter a large sum would be required for repairs, but it was allowed to stand and the breakwater went to pieces; now it will take $10,000 or $12,000 to make repairs that might have been made earlier for a couple of thousand dollars. That is the way repairs have been attended to in my constituency, and it is hard to understand why we should embark on a large number of new works when conditions of that kind prevail—where old works have been allowed to go into the sea because the Government would not provide a small sum to repair damages caused by storms.

Mr. McCURDY: I agree that the amount asked for public works is not generous, even if adequate to meet real necessities. My hon. friend, who is an observant man, sion of alleged public facilities, the commercial necessity of which has been doubtful. Would he say that the small sums which can be spared for public works should be utilized in the keeping up of structures of value to a few people, and that the needs of much larger communities should be ignored? No matter what policy is adopted, there must be exceptions to the rule. We had a discussion this afternoon about Ioco, B.C., where a large community, about three thousand people, has grown up, where there are huge oil tanks and refineries, and where, if there is no new construction, the community must do without necessary facilities. It is difficult at all times for the officials to tell exactly where to draw the line, they exercise their best discretion in these cases; and the few cases where small new structures are being undertaken are at places where the commercial necessity has been great. I think the committee will agree that where this committee in a previous year authorized the expenditure of money at certain places, the department should go ahead and provide those facilities. Otherwise, when Parliament met again and the Estimates of the department were brought down, the department would be subject to the criticism that they had a warrant to go ahead and provide those facilities and that they had failed to do so. While it is difficult to decide where to draw the line, practically no new constructions have been authorized. I am sure I am within the mark if I say that, including the class of representation to which the hon. member for Quebec East (Mr. Lapointe) has referred, requests have come to the department this year for the expenditure of over $100,000,000, while the total amount involved in carrying to completion works at present under contract, repairs to old contracts and isolated cases of new construction, is in these Estimates something less than $5,000,000. Not a day passes but one or two or three, sometimes half a dozen, delegations come to the department, and I am sure my hon. friend from Quebec (Mr. Lapointe), if he were administering a department of Government having to do with the expenditure of money on public works, would advise them along the line that I have always advised them.

Item agreed to.

South Gabriola island wharf, $3,500.

Mr. McCURDY: This is a revote for a new wharf under contract.

Mr. SINCLAIR (Guysborough): How much will it take to complete the work?

Mr. McCURDY: It will be completed this season well within the amount of $3,500. The lowest tender was $3,152.08.

Item agreed to.

Tofino—repairs to wharf, $4,600.

Mr. ARCHAMBAULT: In what constituency is Tofino?

Mr. McCURDY: Comox-Alberni.

Mr. ARCHAMBAULT: Is every constituency in British Columbia provided with a wharf?

Mr. McCURDY: There are several wharves in every constituency in British Columbia fronting on the Pacific Ocean.

Mr. ROSS: As regards these amounts for wharves, are they the amounts required to complete the wharves, or just to begin them?

Mr. McCURDY: Sometimes one, sometimes the other. In the case of these small works which can be completed in one season, the amount asked for is supposed to be sufficient to complete.

Item agreed to.

Harbours and rivers generally, $30,000.

Mr. SINCLAIR (Guysborough): This seems to be another item of the same kind. We had an item for harbours and rivers generally amounting to $95,000 and if you add this on, the total is $125,000. We were told last year that $30,000 was sufficient. This is a very large increase.

Mr. McCURDY: I scarcely catch my hon. friend's point. This is the same amount as was asked for under this heading last year. This item is to cover travelling expenses, printing, stationery, etc., which cannot be conveniently charged to any one particular appropriation.

Mr. FIELDING: This is a general item, not for British Columbia?

Mr. McCURDY: Yes.

Mr. SINCLAIR (Guysborough): We have a general item for every province. Why have another general one?

Mr. McCURDY: This is for the Dominion. There are certain items which cannot be charged to any particular locality.

Item agreed to.

Dredging—Maritime provinces, $500,000.

Mr. LEGER: I should like to have some information as regards dredging in New Brunswick. I understand that application was made for dredging to be done at Richibucto bar, continuation of work at Buctouche bar, St. Louis river, St. Charles river and Molus river. Is there any item in this $500,000 for these works?

Mr. McCURDY: The dredging programme for New Brunswick for this season is as follows: Grande Anse, Gloucester county; Hatfield point, King's county;—

Mr. COPP: What is the amount for each place?

Mr. McCURDY: The amount can only be estimated. The estimated quantity to be removed at Grand Anse is 9,000 cubic yards.

Mr. COPP: What is it going to cost?

Mr. McCURDY: I am afraid any estimate I could give would only be a rough-and-ready one.

The CHAIRMAN: I must ask hon. gentlemen to refrain from conversation. We have reached the point where it is practically impossible for even the Chairman to know what item hon. members are discussing.

[Mr. McCurdy.]

Mr. CURRIE: As these are contracts to be let, I think it is not in the public interest that the minister should be asked to disclose the estimate of the department. It would simply be giving information to the contractors. It has never been done in the House before, to my knowledge.

Mr. COPP: The minister is asking for $500,000 for certain work in the Maritime Provinces, and I think the committee is entitled to be informed as to how this amount is to be divided up between the different provinces.

Mr. McCURDY: So far as the work to be done by departmental dredges is concerned, I do not think the public interest would suffer if I gave the figures, but perhaps my hon. friend would assent to the proposal that in cases where tenders are to be called for close approximation of the cost as arrived at by our engineers should not be made public.

Mr. COPP: I quite agree.

Mr. McCURDY: The following proposed dredging for New Brunswick is on the programme for this year. Grand Anse, 9,000 cubic yards; Hatfield Point, 7,000 cubic yards,—for both of these we expect to ask tenders; Miramichi bay, 75,000 cubic yards, at a cost probably of $22,500; Molus river, Kent, N.B. 7,000 cubic yards; Nelson, 3,750 cubic yards; Newcastle to Bridgetown, 30,000 cubic yards, at a cost probably of $15,000; Restigouche river, 190,000 cubic yards, at a cost probably of $57,000; Bathurst, N.B., 88,000 cubic yards, at a probable cost of $26,400; Douglastown, Northumberland County, 7,500 cubic yards, at a probable cost of $4,500. Dredging will also be done at other places.

Mr. COPP: In regard to Hatfield Point, is the work to be done on the St. John river or on the main shore?

Mr. McCURDY: It is on the river, I understand.

Mr. COPP: Has any dredging been done there recently?

Mr. McCURDY: No.

Mr. COPP: What shipping does my hon. friend expect there?

Mr. McCURDY: I shall get the information and forward it to my hon. friend.

Mr. LEGER: A year or two ago there was an appropriation of $1,200 for work on the St. Charles river, which was not expended. Both the St. Charles and the St. Louis rivers should be dredged, for

the convenience of farmers who have their fertilizer brought up the river in scows. I do hope that an amount for this purpose will be included. I think the farmers in that part of the country have cause for complaint, and I therefore feel it is my duty to bring the need for this work before the minister.

Mr. SINCLAIR (Guysborough): I would like some information in regard to the proposed dredging in the province of Nova Scotia. There are two urgent cases in my own constituency. One is at Port Hilford. For the last ten years this Government has been asked to expend a small amount in dredging the harbour at Port Hilford so as to enable the coasting steamer to reach the wharf in stormy weather. Repeated requests have been made for this work, and we have been informed on several occasions that something would be done, but so far as I know, nothing has been done up to the present time. The sand has filled in around the wharf so much that on a stormy day the coasting steamer is unable to get to the place where the shelter is. The harbour is an exposed one and the steamer is not able to call at all when the weather is rough, owing to the fact that the dredging has not been done. The other case is the harbour of Canso, where some dredging has been done in the last few years to remove the boulders. This is a very important port, the headquarters of the fishing industry in eastern Nova Scotia, and it is urgent that the dredging work there should be completed. I should like to know from the minister whether provision has been made for dredging at these two places out of this vote for $500,000.

Mr. McCURDY: I have no recollection of having had the necessity for dredging at Port Hilford drawn to my attention since I assumed charge of the department. There is no amount included in this vote for dredging at Port Hilford, and the same applies to the harbour of Canso. There was a request received from Canso some two months ago for the construction of a new wharf at that place, but no representations have been made to me with regard to dredging at that port.

Mr. SINCLAIR (Guysborough): What was the reason that my hon. friend did not make any provision for the construction of that wharf? Its construction is of very special importance to the fishermen of the locality. It serves not only as a wharf, but also as a shelter to a part of the harbour. The request the minister speaks of was made by the Fishermen's Union of Canso, which is a very strong and influential body, and very important from a commercial standpoint. The expenditure would not be very large, and it certainly would be a justifiable expenditure if any exception is to be made to the rule. The minister has already made half a dozen exceptions to the rule in British Columbia, and I therefore shall find it difficult to explain to my constituents why something was not done in connection with the wharf at Canso. What is the reason?

Mr. McCURDY: Different representations have been received from Canso with respect to the necessity for this work. I have not had the same opportunity of personally acquainting myself with the conditions there, as my hon. friend has. He says that the wharf is very much needed, but I am informed that in the meantime there are other means of loading and unloading fishing cargoes that come into that port. I have no personal knowledge of that, of course, but the representations are that this work is not of such extreme urgency as if no other wharf existed at the port. There are privately-owned wharves at Canso which for years have been used by the fishermen. The fishermen say that this is not satisfactory, but the fact is that they have been using these wharves for years.

Mr. SINCLAIR (Guysborough): They are private wharves not generally available to the public.

Mr. McCURDY: I have no doubt that if either the hon. member or I wanted to land a cargo there we could. I understand that no charge is made for the use of these wharves. It is true they are privately owned, but they are used by the public. So that while it would be desirable to have a fishermen's wharf there when conditions permit, it was decided that it was not in the class of urgency that it could not stand over for another year.

Mr. SINCLAIR (Guysborough): Will you build it next year?

Mr. SINCLAIR (Queen's): Will the minister give the amount of this vote that will be spent in Prince Edward Island, and also outline the programme for this season, informing us just where the money will be spent?

Mr. CHISHOLM: If it would make no difference, I think the minister might fin-

ish the outline of his programme with regard to Nova Scotia.

Mr. McCURDY: My heart is there.

Mr. CHISHOLM: Certainly, and if my hon. friend has no objection the minister might finish Nova Scotia first.

Mr. McCURDY: Dredge No. 1, the "Fielding," is to operate this year at Liverpool and remove 50,000 cubic yards, at an estimated cost of $20,000. She will then proceed to Restigouche river to remove 190,000 cubic yards at a cost of $57,000.

Mr. CHISHOLM: Restigouche is not in Nova Scotia.

Mr. McCURDY: Well, she gets a good start in Nova Scotia. My hon. friend from Queen's (Mr. Sinclair) has asked a question in regard to Prince Edward Island. Perhaps I had better take the programme province by province. I will answer the hon. member for Queen's first. The programme for dredging operations in Prince Edward Island is not definitely concluded yet, but work is to be begun by the dredge at the marine wharf at Charlottetown, to remove 18,000 odd cubic yards of material. After that it will proceed to Pownal wharf and then probably to Murray River.

Mr. SINCLAIR (Queen's): What portion of this $500,000 is to be spent in Prince Edward Island?

Mr. McCURDY: About $30,000.

Mr. SINCLAIR (Queen's): The minister says that the programme for the season is not yet fully made up. How long is it estimated that the dredge will be required to carry out the work he has outlined?

Mr. McCURDY: Pretty nearly the whole season.

Mr. SINCLAIR (Queen's): In 1914, or perhaps somewhat earlier—I am not sure of the exact date but it was before the war, at any rate—the Department of Public Works began the work of straightening and making a proper channel in the Hillsborough river from Charlottetown to Mount Stewart. The work was only partially completed when the war broke out, when it was thought wise to defer it owing to other heavy expenditures. If the work that is contemplated during the coming summer is completed before the close of the season, and the dredge is likely to be idle, I would suggest that the minister consider continuing the work of improving the channel in the Hillsborough river.

Mr. McCURDY: I am sure the dredge mentioned will not be idle, however, I will make a memorandum of what my hon. friend says and see whether the dredge can be placed on the work he has mentioned.

Mr. MICHAUD: I think the minister says that there is something like $45,000 to be spent on the Restigouche river. Is that right?

Mr. FIELDING: Is the bulk of this work being done by Government dredges?

Mr. McCURDY: Yes, almost entirely.

Mr. FIELDING: Well, I can appreciate the difficulty of specifying definite sums at particular points, because the dredges have to be maintained anyhow, and they start at one point and go to another. In that way several provinces become mixed up. I fancy that these estimates which the minister gives are made up in this way: From the general work of the department they know what it will cost to remove certain classes of material, and applying that rough estimate to the quantity they have to remove they are able to give an approximate idea of what it will cost. But it is difficult to give an appropriation of a particular sum to a particular place. Am I right in assuming that the bulk of the work is to be done by Government dredges?

Mr. McCURDY: Yes, that is perfectly so, and the method by which I have arrived at the estimated expenditure is exactly as my hon. friend has indicated. That is why I think it would be just as useful if I were to indicate the cubic yards which the department hopes to remove.

Mr. SINCLAIR (Guysborough): If the minister has an estimate of the amounts he will spend in various harbours, that is all we ask for. I presume he will not go at the work in a haphazard manner, commencing at one end of a province without knowing where he will go next. The order in which the work is to be done is not a matter of interest to the committee at present; all we ask for is information as to where the various sums will be spent. My hon. friend has not yet told us very much about Nova Scotia.

Mr. McCURDY: No, for the very good reason that I have been interrupted several times when trying to do so. If I am allowed to proceed I will give the information. First, at Glace bay, 22,000 yards; at Liverpool, 50,000 yards; at Port Hood,

3,750 yards; at Shenacadie, 27,600 yards; at St. Peter's Narrows, 17,000 yards; at Sydney, 36,000 yards; at Windsor, 2,000 yards; at Yarmouth, 110,000 yards.

Mr. MICHAUD: Am I right in supposing that Restigouche river was one of the places mentioned by the minister where dredging operations will take place?

Mr. McCURDY: We expect to dredge 190,000 cubic yards in the Restigouche river this year.

Mr. MICHAUD: What will be the approximate cost?

Mr. McCURDY: Probably $60,000.

Mr. MARCIL (Bonaventure): At what point will this work be done?

Mr. McCURDY: At the Grandoon flats.

Mr. MARCIL (Bonaventure): Is there anything for Cross Point?

Mr. McCURDY: There is a small amount under another heading that is going to be spent at Cross Point. I might also say that one of the dredges is now on her way to New Carlisle where 12,000 cubic yards are to be excavated.

Mr. CHISHOLM: As a matter of fact are all the Government dredges employed all the time?

Mr. McCURDY: Oh, no. Several Government dredges are laid up; they have not been in operation and will not be in operation this year.

Mr. CHISHOLM: I am sorry to learn that the minister has not the harbour of Inverness on his programme. It is a most unfortunate thing that this undertaking should be juggled in the way that it has been for the last five or six years. It also seems to me very unfortunate that an undertaking so important as this—an undertaking that was retarded during the war but for which there is ample justification—should be dropped now although its completion would not involve much further expenditure. The construction of the woodwork is going on, the contract undertaken last year not having yet been finished although it will be in a very short time. However, the whole expenditure on this work will go for naught unless the dredging is carried out. A very large amount of money was spent there before 1911, the work has been undertaken in a substantial way. The manner in which it was begun was a credit to the Department of Public Works who used creosoted lumber when they commenced construction. Although the undertaking was begun before 1911, it was stopped immediately after that year, and recommenced in 1918 for the purpose of opening up the harbour for the fishermen, because off the town of Inverness are perhaps the finest fishing grounds of America. That fact was recognized by the department at the time, and notwithstanding the scarcity of money and the difficulties in the way of undertaking public enterprises, the minister of the day undertook to open up and finish this work. Today the work is practically complete excepting the renewal of what was destroyed by a storm last fall. But if there is no dredging carried out there all this expenditure on the work will have been wasted. I am going to appeal to the minister, in view of the fact that he has got dredges available, to be good enough to undertake this work at the harbour of Inverness and try and finish the project once and for all. It has been, as I said, juggled with for the last eight years, it has been the most unfortunate undertaking I know of in Eastern Canada, and if the Government are not going to finish it, in the name of common sense let them stop spending money there.

Mr. McCURDY: I will bear what my hon. friend has said in mind.

Item agreed to.

Dredging—Ontario and Quebec, $450,000.

Mr. LAPOINTE: May I ask the minister if this vote includes any expenditure for dredging in Yamaska county?

Mr. McCURDY: There are no Public Works dredges operating in Yamaska at the present time.

Mr. LAPOINTE: I have seen some of them at work.

Mr. MARCIL (Bonaventure): Would the minister be kind enough to mention the places where dredging is being done in the province of Quebec?

Mr. McCURDY: At Batiscan, 32,500 cubic yards; Doucet's Landing, 22,000 cubic yards; at Harricanaw, in the county of Pontiac, 24,000 cubic yards; Rimouski, 80,000 cubic yards; River du Loup, 80,500 cubic yards; and Verdun and Laprairie, removal of boulders necessitating the expenditure probably of $1,000. This is in addition to the dredging at New Carlisle, of which I have already spoken.

Item agreed to.

Roads and Bridges—Banff—bridges, $168,000.

Mr. CAHILL: Under the general vote for roads and bridges I wish to bring to the attention of the minister the condition of a bridge in the county of Pontiac, crossing the Ottawa river, which has been in charge of the Department of Public Works for some years. A few years ago they replaced two of the piers, but the centre pier is now in need of repair. I understand that the minister had a deputation wait upon him from the village of Bryson to ask that the work be gone on with as the bridge had been condemned by the minister's own department. It is the only means of communication between the village of Bryson, on the mainland, and Calumet island, which is an important farming district. Because the deputation did not ask my hon. friend to construct a bridge on the other side of the island to connect with the province of Ontario, he saw fit to refuse to maintain his bridge at that point. He was quick enough, however, when he found an item for dredging in the county of Pontiac to say that it was for work in my constituency. Perhaps the fact that this bridge is in the constituency of Pontiac was his reason for refusing to maintain the structure in a condition in which it can be used. The bridge cost a great deal of money and is liable, I understand, to collapse at any time—it is not safe for traffic. Although there is a steel superstructure the Government apparently are not maintaining this bridge in good repair. I think the minister should bring in an item in the Supplementary Estimates to take care of the repairs to this bridge. It is not fair to say to the township in which the bridge is located that they should have to look after it; the minister should provide, in the Supplementary Estimates, for doing this necessary work.

Mr. McCURDY: It is not intended, Mr. Chairman, to provide any sum for the repairs of this bridge. I recall quite distinctly the conversation that took place when the delegation came to see me some months ago in connection with this matter. The delegation was headed by Mr. Rimer, mayor of Bryson, and two other gentlemen, who asked that the department continue to repair a bridge of a local character connecting an island with another place on the mainland in the county of Pontiac. If, as my hon. friend has suggested, the bridge went from the island across the Ottawa river it would be interprovincial in its character, and under the British North America Act probably a case could be made out for the department contributing to its maintenance. I referred the matter to the Department of Justice. The answer being that it was not a work which the Dominion Government could be called on to maintain, I think I would be less than frank if I allowed my hon. friend to believe that any sum will be forthcoming towards its upkeep. The delegation which visited Ottawa have been advised of the decision of the department, which, so far as I know, can be looked upon as final.

Mr. CAHILL: As my hon. friend knows, the Ottawa river is the boundary line between the provinces of Quebec and Ontario clear to the north end of Lake Timiskaming, and the only bridges that cross the river between the St. Lawrence and that point are built from the Quebec side to the Ontario side and land on an island in every case. The bridge at Ottawa here was built and is maintained by the Government. The same remark applies to the bridge at Portage du Fort. The municipality and the province built this originally, and the Dominion Government recognized the injustice of asking them to maintain it, as it was on interprovincial waters. But now that the minister finds a loop-hole to escape this liabality he avails himself of it. I think the course taken is entirely unfair, especially when we have items here of hundreds of thousands of dollars for bridges in other parts of the country, some of them new structures. If the Government are maintaining bridges across interprovincial waters, there is absolutely no excuse why they should not maintain this bridge. The only difference in this case is that my hon. friend has got a bridge only half way across the river, and because he has not built the other half he refuses to maintain the part that is built.

Mr. McCURDY: If the districts affected will bring forward a proposal to make this an interprovincial bridge by extending it across the Ottawa river, I shall be very glad to have the matter taken into consideration; but at present it is simply a local bridge built by the local authorities.

Mr. CAHILL: How often has the minister consulted the Department of Justice in relation to public works in constituencies represented by his friends on the other side of the House?

Mr. McCURDY: Whenever there is any necessity.

Mr. MARCIL (Bonaventure): The minister has had several deputations from

Campbellton asking for an interprovincial bridge between Crosspoint and Campbellton. How does that matter stand?

Mr. McCURDY: It stands, Mr. Chairman.

Mr. MARCIL: An interprovincial bridge was built some years ago at Matapedia by this Government in conjunction with the Governments of Quebec and New Brunswick. I have called attention to the approaches of this bridge, as the road running through unorganized territory is almost impassable, and it is the only leading thoroughfare between Quebec and New Brunswick. The former member for Rimouski had some $10,000 expended on the road, but for some years no further work has been done. I wish the minister would give the matter attention and see if something cannot be done.

Mr. MICHAUD: I have received similar requests from the people of Campbellton and vicinity. I called upon the minister at the beginning of the session, but he told me the treasury was rather short of money, and that the structure being purely an interprovincial bridge, no federal assistance could be given. But interprovincial bridges have been built by the Dominion Government, and I can cite a case in point —the bridge between Ottawa and Hull. The necessity of a bridge between Campbellton and Crosspoint is just as great, and the bridge between here and Hull is certainly a precedent in favour of federal assistance in this instance.

Mr. CHISHOLM: I want to make a suggestion to the minister in regard to the Grand Etang bridge in Inverness county. The Government is spending considerable money on repairs to this bridge every second or third year, and when any further repairs are contemplated I would ask the minister to take into consideration its removal up to the Narrows. This would accomplish two purposes: it would give a shorter and less expensive bridge, and would also furnish the fishermen with urgently needed accommodation for the protection of their boats, as at present the harbour is entirely too small. This is an urgent matter and I would respectfully suggest that the minister take it into consideration when any further expenditure is needed for repairs to the existing bridge.

Mr. McCURDY: I shall see that the hon. member's suggestion is borne in mind.

Item agreed to.

Nova Scotia—Cape Breton Telegraph system—reconstruction of telephone line between Harvard lake and N.E. Margaree, $1,000; Pictou Island—telephone cable, $14,300.

Mr. CHISHOLM: Is it the intention of the minister to undertake this expenditure this year?

Mr. McCURDY: Yes. It is partly for diversion, in order to get a more direct line.

Graving docks, locks and dams, etc., $150,200.

Mr. SINCLAIR (Guysborough): How many graving docks does the Government own?

Mr. McCURDY: The three mentioned in this vote and one at Kingston.

Mr. SINCLAIR (Guysborough): Is the new graving dock that is being built at Esquimalt the property of the Government?

Mr. McCURDY: Yes.

Mr. SINCLAIR (Guysborough): I understood that the Government paid subsidies to private companies to build these docks. If I remember rightly, my hon. friend's predecessor told us that a move was on foot for the construction of a graving dock at Vancouver by a company, subsidized by the Government. How is it that the graving dock at Esquimalt is on a different basis from the docks at Collingwood, Vancouver and other points?

Mr. McCURDY: There are two systems under which docks have been built in Canada. There is the Dry Dock Subsidies Act, the provisions of which are availed of by people who wish to build docks, the locations, of course, to be approved by the Government. Under that Act docks have been built at Collingwood, Port Arthur, Montreal and Prince Rupert and subsidy agreements are outstanding for the construction of dry docks at Vancouver and St. John. In addition, the Government have constructed the three which I have mentioned and are constructing the dry dock at Esquimalt, which will serve also the purposes of a naval dock.

Mr. SINCLAIR (Guysborough): Has the policy of the Government changed in this matter? Is it now to be the policy of the Government to build and maintain graving docks and to abandon the old system of insisting that a company manage them and pay the interest on their loans? May other parts of Canada apply to the minister to obtain graving docks similar to the dock now being built at Esquimalt and on the same terms?

Mr. McCURDY: As for requests that may come from other parts of the country for additonal dry docks, I would prefer to decide the matter when the applications arrive. I must confess that I am not thoroughly familiar with every detail of what has transpired regarding dry docks that have been under construction except so far as the records go, but in general I would say that there has been no change in policy.

Item agreed to.

Telegraph and telephone lines, $930,400.

Mr. LEGER: I wish to ask the minister for some information in reference to the extension of the line from Point Sapin to Kouchibouguac in the county of Kent.

Mr. McCURDY: I see no vote for that purpose.

Mr. LEGER: Will there be a vote for it in the Supplementary Estimates?

Mr. McCURDY: Quite probably so.

Mr. McMASTER: What has been the revenue from these different telegraph and telephone lines for the past year?

Mr. McCURDY: I have not that information under my hand, but it was given in the annual report of the Department of Public Works which was tabled at the beginning of the session; I will secure a copy and forward it to my hon. friend. But the operation of the Government telegraph and telephone lines covered by this vote is not a commercial undertaking. It is a large annual expense to operate these lines; I suppose the deficit would run from $600,000 to $700,000 per annum. As a rule these lines serve districts where commercial companies could not profitably operate. For instance, there are lines in certain parts of northern British Columbia and extending to the Yukon, where service is maintained at a heavy annual loss. It is, however, a service which cannot very well be abandoned; I am sure that hon. members would not like to see the Yukon deprived of telegraphic communication. In Eastern Canada these lines are for the most part in sparsely settled districts where there would be no service if it was not provided by the Government.

Mr. REID (Mackenzie): In connection with the Yukon system, there is considerable duplication; for some distance you will find in little towns along the Grand Trunk Pacific two telegraph offices, those of the Grand Trunk Pacific and those of the Yukon telegraph system. It is some distance east of Hazelton where the Yukon telegraph line strikes off from the Grand Trunk Pacific and crosses over to the Canadian Pacific at Ashcroft. I fail to see why it is necessary to maintain two telegraph and telephone offices in each of these towns along that part of the line of the Grand Trunk Pacific which is paralleled by the Yukon system. It seems to me that a saving could be effected in that regard; where the Yukon system strikes the Grand Trunk Pacific telegraphic line you could cut the system and not duplicate from there on to the point where it leaves the Grand Trunk Pacific and goes across to Ashcroft on the Canadian Pacific line.

Mr. CURRIE: The line serves a number of places between Hazelton and Ashcroft.

Mr. REID (Mackenzie): I am asking the minister, not the hon. member.

Mr. McCURDY: I have been giving some attention to this matter, and I quite agree with what my hon. friend states, namely, that there is ground for making improvements by which the services necessary may retained and a considerable saving effected. That is a matter which will receive attention at an early date.

Mr. MICHAUD: How many miles of telegraph lines are there in New Brunswick?

Mr. McCURDY: I have not the information for the province of New Brunswick. It is contained in the annual report which was tabled at the beginning of the session. Altogether the department operates 11,821 miles of land lines, 336 miles of submarine cables, and it has 1,179 offices.

Mr. REID (Mackenzie): What lines do the Government operate in Saskatchewan?—because in that province we are very well served. We have a government long-distance system, and the rural systems belong to the farmers, private companies.

Mr. McCURDY: I assumed that, this matter being all outlined in the report, hon. members would have it. I regret that at the moment I have not the exact information under my hand.

Mr. REID (Mackenzie): Is the information in the annual report?

Mr. McCURDY: Yes.

Mr. REID (Mackenzie): Then I will look it up.

Item agreed to.

Demobilization—Public Works, $750,000.

Mr. McMASTER: How does this vote come under demobilization?

Mr. McCURDY: This is another case where the Department of Public Works is bearing the burdens of other departments. My hon. friend, in perusing the Estimates, will have noticed that public works, so-called, public improvements, engross only a small part of the expenditure of the department. The Department of Public Works is the renting agent for public buildings. In connection with demobilization we found ourselves in possession of a number of hospitals, convalescent homes and other buildings which had been used for war purposes, and under contract to return these properties to the owners at the end of the Militia Department's term of occupancy. It is largely in connection with the replacement and refurnishing of buildings of that character that this vote is asked for.

Mr. McMASTER: Could the minister give the main items that make up this very considerable sum?

Mr. McCURDY: There is also the question of rentals of properties which have been used for war purposes, the appropriation for which is secured through the Department of Public Works. This amount of $750,000 is to complete the construction of works in connection with military hospitals, for the maintenance of existing works, to pay the salaries of staffs and to pay for buildings rented for the Militia Department, which item was formerly charged to war appropriation. This is a summary of the items:

For completion of works..	$ 77,315
Rentals..	469,776
Maintenance of existing buildings.. ..	173,965

Mr. REID (Mackenzie): What is the policy of the Government as regards convalescent homes in Winnipeg? A number of those buildings are standing vacant. What is to be done with them?

Mr. McCURDY: When the Minister of Militia and Defence is in the chamber, I shall ask him to supply the information to my hon. friend.

Item agreed to.

Public Works—chargeable to income,—rents, repairs, furniture, heating, etc., $4,935,500.

Mr. COPP: As regards the item of $1,130,000 for rents, what buildings are rented in Ottawa and what is the policy of the Government in regard to this matter? Does the Government intend to continue renting these buildings, or to erect buildings of its own? The time has arrived when we should have some general policy in regard to the matter.

Mr. McCURDY: I move that further consideration of this item be postponed. I shall have the information in a few minutes.

Item stands.

Harbours and rivers—Nova Scotia, $274,050.

Mr. SINCLAIR (Guysborough): Will the minister explain the second item, Bass river wharf? Is that a new wharf?

Mr. McCURDY: It is for replacement of a wharf that has gone down.

Mr. SINCLAIR (Guysborough): What is the business at that point?

Mr. McCURDY: This is a revote. The principal industries are lumbering and the manufacture of furniture. Located at Bass river is the Dominion Chair Company whose imports of general merchandise approximate $75,000 to $80,000 annually, and whose exports of chairs ordinarily amount to $20,000 annually, making a total of $100,000. Other local merchants who receive at this port will add $20,000 to $25,000. Shipments of lumber average around 4,000,000 feet annually. The old wharf was built in 1894-95. It was extended in 1901-02 and in 1911-12. The work is under contract. Tenders were called for and the work is under way.

Mr. SINCLAIR (Guysborough): Has the work been commenced?

Mr. McCURDY: Yes.

Mr. SINCLAIR (Guysborough): The output of the fishing industry at Canso is at least ten times the figure that the minister gave.

Mr. McCURDY: A million dollars a year?

Mr. SINCLAIR (Guysborough): More than that.

Mr. McCURDY: I am glad to hear it.

Mr. SINCLAIR (Guysborough): There is a large population depending upon the wharf that was supposed to be built at Canso and that could be built for a much less sum than the wharf at Bass river.

Mr. McCURDY: There is no other wharf at Bass river.

Mr. FIELDING: There are a few names in this item which occur in different coun-

ties. Maitland, I presume, is in Hants county. Summerville is to be found at several places.

Mr. McCURDY: It is in Hants county.

Mr. FIELDING: I am sorry; I thought it was in Queen's.

Mr. McCURDY: Blanche is in Shelburne county. We shall provide for Blanche in the Supplementary Estimates.

Mr. FIELDING: I quite understand the difficulty my hon. friend has in making new appropriations, but I hope the Government will be able to make a strenuous effort to provide for necessary repairs. There are throughout the country many works of a useful character which are falling rapidly into decay. I know of several in my constituency. This is a matter in which the Government would have to be advised by the engineers of course; but where they have information from their engineers as to the condition of the works, I hope a strenuous effort will be made to provide the necessary repairs, for two purposes; first in order to accommodate the public, and secondly, to prevent works going into decay. After a few years on our Atlantic coast a work that is neglected goes to pieces very rapidly. All I desire to say further is that I hope in the Supplementary Estimates the minister will be able to make provision for works which his engineers report as useful and urgent.

Mr. SINCLAIR (Guysborough): I regret to find that there is nothing in these Estimates for a breakwater at St. Francis harbour. An application, I understand, has been made for this work, which is required to accommodate the fishing industry in that locality. My hon. friend will find on file in his office a petition from the fishermen of St. Francis harbour, pointing out that they are unable successfully to carry on their business owing to the want of shelter from the storms, and they ask for the expenditure of a small sum of money for the building of a breakwater. This matter has been before the department for some time. I took occasion to look at the petition myself and at the explanation that has been given by my hon. friend's engineer, and I regret to find that nothing has been done in this matter. In addition to the fishing industry, there is also developing at that point a lumbering industry, but as the place is far removed from railway communication, the whole business has to be done by water, and as there is no wharf in that locality where a scow or steamer can receive goods, the necessity for the construction of a work of that kind is very great and obvious. The construction of a wharf there would mean the development of the fishing and lumbering industries in that locality. I want to tell my hon. friend that not a single one of the wharves that have been built on the Atlantic coast in my constituency has not proved very useful. If he would visit that part of the country he would find that flourishing villages have grown up at the places where these breakwaters have been built, villages which formerly did not exist. The young men in the places where these works are provided instead of going to the United States, stay at home and purchase boats and become successful fishermen. That is one direction in which the expenditure of public money can very well be justified. I know there has been criticism with regard to the expenditure of public money on the coast of Nova Scotia, but I represent a county with a coast line of 150 miles, and I do not think my hon. friend will find any work along that coast the construction of which has not been justified. There has been nothing built by the Government in my constituency for the last ten years, since the change of Government, and I hope my hon. friend will make an exception in these one or two urgent cases, notwithstanding the fact that the county happens to be represented by an opponent of the Government.

Item agreed to.

Harbours and rivers—Prince Edward Island, $43,400.

Mr. McISAAC: There are four small items not here mentioned to which I wish to direct the attention of the minister, and for which I hope he will make provision in the Supplementary Estimates. These works are important locally, although the expenditure involved would not be large. First of all, repairs are needed to the wharf at Georgetown. The wharf at Greek river also requires some repairs and a short extension. Some repairs are also required to Chapel Point wharf at St. George, and to the pier at Bay Fortune; an extension is also required to that pier in order to enable vessels to load and discharge their cargoes. The total amount required for these works would be comparatively small, and I trust that the minister will be able to make provision for their construction.

Mr. McCURDY: We shall overtake such as we can.

Mr. LEGER: Is the completion of the pier and breakwater at Richibucto cape to

Mr. McCURDY: The present intention is to have the work done by day labour.

Mr. LEGER: There was a vote in 1920 for repairs to what is known as Church wharf. The amount was $1,700. I understand that this has not been expended. I quote from Hansard of June 4, 1920:

> Cocagne (N.B.)—repairs to wharf, $1,700.
> Mr. Leger: On what wharf is this money to be expended?
> Mr. J. D. Reid: There is a wharf one mile to the north called "Cocagne Church Wharf." This is work that the hon. gentleman wished should be done.

From a communication I have received from the county of Kent, which I have the honour to represent, I understand that this work has not been done. About 70 feet of this wharf was damaged by running ice, which moved the wharf in one part about 4 feet. That was the year before last. No repairs have been made, and the wharf still stands that way, with a great risk of being washed away entirely next spring, if that has not already happened. I should like to know why the money that was voted last year has not been expended?

Mr. McCURDY: If my hon. friend refers to Cocagne Church wharf, I find there was an expenditure last year at Cocagne, repairs to wharf, of $1,700.

Mr. LEGER: The vote was for what is called Church wharf. If any expenditure has been made, it has not been made on the Cocagne Church wharf. I want an explanation of just how this mistake has been made, because the parties have written me in reference to the matter.

Mr. McCURDY: The information furnished me is that there was expended last year at Cocagne, on repairs to the wharf, $1,700. That is the only information I have, but I shall be pleased to get the information my hon. friend requires and forward it to him on Monday, and if he has anything further to say with regard to these expenditures perhaps he will take the matter up the next day we are in Supply or if we finish the Main Estimates to-day, for sanction.

Mr. LEGER: Is there any appropriation in the Supplementary Estimates for repairs to the Molus wharf? This is a small wharf and application was made last fall to have it raised a couple of feet. The wharf is used by farmers who get shell fertilizer from the neighbourhood, and at high tide it is covered and the loaded scows have to wait a considerable time before they can land their cargoes. It will not cost very many hundred dollars to raise this wharf a couple of feet, but I do not see anything in the Estimates to have this done.

Mr. McCURDY: We are planning to do some dredging at Molus river this year, and at the same time investigations will be made in regard to the desirability of the work my hon. friend proposes. No provision has yet been made in the Estimates for repairing the wharf he speaks of, and it will be necessary for us to send our engineers and have an official report before we can bring the matter to a finality. I assure my hon. friend that his representations will be given consideration.

Mr. LEGER: Have the engineering staff at Chatham been removed to St. John?

Mr. McCURDY: Another vote is being asked for under which I shall make a statement regarding engineering services. If my hon. friend is agreeable I would suggest that this question stand until I make that statement.

Item agreed to.

Harbours and rivers—Quebec, $303,820.

Mr. MARCIL (Bonaventure): This first item for the Anse aux Gascons wharf is a long standing vote. Will the minister make a statement in regard to it?

Mr. McCURDY: This amount of $49,000 is required for the construction of a new crib work wharf 400 feet long by a width of 20 feet upon the first 300 feet and a width of 30 feet on the outer 100 feet. The road to the wharf is to be levelled, and the shore space between the old and the new construction is to be filled to the level of the flooring of the wharf. The structure is to take the place of the old wharf which was destroyed by storms occurring in 1916, 1917 and 1918.

Mr. MARCIL (Bonaventure): Is the work under contract?

Mr. McCURDY: In answer to public advertisements tenders were received in August, 1920, from T. P. Charleston, $44,580, and J. T. Collins, $57,940. The lowest tender was accepted and an Order in Council was passed on September 30, last year, authorizing a contract with Mr. Charleston which was duly made.

Mr. FOURNIER: In looking over the Estimates I do not see anything for the St. Michel wharf in the county of Belle-

chasse. Has the minister provided for that wharf in the Supplementary Estimates?

Mr. McCURDY: The matter is under consideration in connection with the Supplementary Estimates, but whether or not a vote will be provided I am not at liberty to state at present.

Mr. FOURNIER: Last year there was a revote of $36,000 to complete the repairs to this wharf, but this year there is nothing. The wharf was destroyed in the storm of 1918. In 1919 plans and specifications were prepared and tenders called for, and the contract was awarded to the lowest tenderer. Unfortunately, the bid of Mr. Galibois was so low that he could not keep up with the work and had to abandon it. He worked only two months and repaired 400 feet, leaving 400 feet more to be done. By winter additional damage was incurred and last year there was a revote of $36,000 in the Main Estimates, but no work was done. The consequence is that it will cost a little bit more to finish the repairs to the wharf. I must remind the minister that this is a county wharf which serves five parishes. A boat has been calling at the wharf twice a day for the last thirty-eight years and I would impress upon the minister the urgency of completing this work.

Mr. McCURDY: The department is fully seized of the importance of the work in question, but as my hon. friend knows, the provision of money is a difficult matter. I would advise him to keep up his courage and reserve further remarks until the Supplementary Estimates are down.

Mr. PELLETIER: There is nothing in the Estimates in connection with different harbours, namely, Matane, St. Felicité, Méchins and Ruisseau à Loutre. There is only $1,350 for repairs to the Méchins wharf, and for the past four years I have asked for an extension of the wharf at this harbour. The engineers have reported favourably on it, and I fail to see why this work should not be done. The department knows perfectly well that vessels between Rimouski and Gaspé have absolutely no shelter, and if this work were done it would afford protection for vessels in times of storm and stress. May I ask my hon. friend if he intends to do anything on this wharf at Matane, besides carrying out the repairs that are to be made?

Mr. McCURDY: If I have conveyed the impression to my hon. friend, or if he has interpreted my words to mean, that there is going to be provision for the wharf he has gathered an incorrect one. I advised my hon. friend from Bellechasse (Mr. Fournier) to be hopeful. I will, between now and the time the Supplementary Estimates are tabled, look carefully into the facts regarding the works my hon. friend has mentioned, and see whether or not something can be done.

Mr. PELLETIER: The minister advises the member for Bellechasse to be hopeful. I have been hopeful for quite a number of years, and have got nothing. I feel that it is about time a little work was done in my riding. Forty-five vessels enter the port of Matane, and the tonnage amounts to something like 30,000 tons, but the place is absolutely lacking in proper facilities. I think we ought to have a share of public expenditures. The provinces of British Columbia and Manitoba are getting all the works they want, why should we not get ours? What is the reason for the discrimination? I hope the minister will take this matter up seriously and see that something is done.

Mr. MARCIL (Bonaventure): I want to concur in the statements of the hon. member for Shelburne and Queen's (Mr. Fielding) regarding works already completed and in existence—they should not be entirely neglected. In my constituency, which has a coast line of over 100 miles, there are a number of wharves badly in need of repair. I see that two of them are being provided for, but there are others round that coast that are necessary to the fishing community and which need repairs badly. I hope that when the minister receives the report of his engineers on these matters he will give them favourable consideration because the works in question are all of a useful nature and should not be allowed to disappear completely. At the present time some of them are in a very bad state of repair.

Item agreed to.

Ottawa Parliament Buildings: restoration, $1,000,000.

Mr. FIELDING: When may we expect the completion of the work? Has the hon. gentleman formed a date in his mind?

Mr. McCURDY: I think it can be said that so far as the construction of the lower part of the building is concerned—that is, this floor—it will be absolutely completed this year. I am not referring now to the decorations and some fixings of that kind, but to the main construction work; the

construction in the main hall, and the balance of the work on this floor should be finished this summer. The construction of the tower will probably go on for at least another year after the present year. There is some slight difference of opinion as between the architect and the builders as to the carrying capacity of the tower. That is, the architect thinks it is better to build more slowly and take at least another year, after this year, in constructing the main tower, whereas the contractors would willingly go ahead and finish the work this year as that is physically possible. In order to be safe, the Parliament Buildings Committee is authorizing the taking of two years at least to construct the tower instead of finishing this summer, as they regard that as the safest plan to follow. Apart from these two things to which I have alluded—the main entrance and the tower —I think the construction work on the buildings is practically complete.

Mr. MARCIL (Bonaventure): Is the design of the tower finally settled?

Mr. McCURDY: Not finally settled. It is settled a little bit beyond the stage where construction has gone, but a final decision as to the upper part has not yet been reached. It is under consideration, however, and will be decided very soon. Working models are in the office of the Chief Architect just across from the entrance to this building, and I am sure it will interest members of Parliament if they would go to Mr. Pearson's office and view the models which he has there, and at the same time give him the benefit of their advice. The views or suggestions which members of Parliament have, might be of assistance to him in finally evolving the most fitting plans for the upper part of the tower.

Mr. FIELDING: I have noticed men working at night on the tower several times this year which would indicate that there was a desire to rush the work. I am not complaining of the fact, but what is the explanation for taking that course? It must involve extra cost.

Mr. McCURDY: The very thing the hon. gentleman speaks of occurred to me and I made inquiries with regard to the work that is going on. I find that the men are required to work in alternate shifts. They first put up a course of stone and that has to be backed up by a course of concrete. It is impossible to have both gangs working at the same time, so by arrangement one works in the day time and the other follows on and works after ordinary day hours. There is no overtime being paid in connection with the work.

Mr. FIELDING: That would be all right if you wished to rush the work, but the hon. gentleman has stated it is not intended to rush it. Will he tell us what amount has been expended up to the present time?

Mr. MARTIN: Under what system is this work being done, on a percentage basis or by contract?

Mr. McCURDY: By double shifts.

Mr. MARTIN: I know, but on what basis is it being done?

Mr. FIELDING: Of itself it must make an increase in the cost.

Mr. McCURDY: I understood my hon. friend to say that because the work was going on in the evening it was therefore costing more?

Mr. FIELDING: Surely.

Mr. McCURDY: The arrangement by which the men are working in double shifts is not costing any more than if these men worked on alternate days.

Mr. FIELDING: Then the night work is not costing any more than the day work?

Mr. McCURDY: No.

Mr. FIELDING: What has been the total cost up to the present time of the whole thing—building, furniture and everything?

Mr. McCURDY: In round numbers the expenditure up to the present time has been $9,000,000.

Mr. FIELDING: Does the hon. gentleman remember what the original Estimate was? Of course I know it was much below that.

Mr. McCURDY: The original estimate was not for the building we have now. The estimate was based upon a much smaller structure, one story less, and there have been a very large number of changes, including the provision of a central heating plant, all of which have added very much to the cost. I think that if the building had been completed according to the original plans it probably would have cost about $7,000,000, instead of $5,100,000 as estimated. There would have been an overrun of expenditure of probably $1,900,000. As every one knows, the cost of labour and material has advanced from 100 to 140 per cent over the figures that

were current when the contract was made, and necessarily that advance has carried with it an increase in the total cost of the building. But it should always be remembered that we are now having a different structure entirely from what we started out to build, and the extra storey and other additions will cost probably from $2,500,000 to $3,000,000.

Mr. SINCLAIR (Guysborough): What does my hon. friend estimate will be required to complete the work?

Mr. McCURDY: The total ultimate cost is expected to be something over $10,000,000.

Mr. MICHAUD: Will that include furniture?

Mr. McCURDY: Including furniture and fittings.

Mr. FIELDING: And the tower?

Mr. McCURDY: The tower and everything else.

Mr. SINCLAIR (Guysborough): What are the names of the committee now in charge?

Mr. McCURDY: The Minister of Public Works, the President of the Privy Council, the Minister of Railways, the Minister of the Interior, the Minister of Marine and Fisheries, and Senators Robertson and Watson.

Mr. PEDLOW: Did I understand the minister to say that when the building is completed the total cost will not exceed $10,000,000 including furnishings and fittings?

Mr. McCURDY: I said the cost would probably be somewhat in excess of $10,000,000.

Mr. PEDLOW: And we have spent already over $9,000,000?

Mr. McCURDY: No, not quite $9,000,000.

Mr. LAPOINTE: What will be the height of the tower?

Mr. McCURDY: The exact height has not yet been determined, but it is expected to be from 250 to 280 feet.

Mr. MICHAUD: Will a cell be provided in the tower as in the old building?

Mr. McCURDY: No, but there is a cellar.

Mr. FIELDING: Is it proposed to provide a chime of bells?

[Mr. McCurdy.]

Mr. McCURDY: Provision is being made for a chamber to receive a carillon, should it later on be decided to install one. The committee has not yet decided to make the purchase, but provision is being made so that a carillon can be installed at any time without extra structural expense. I am sure the committee in charge of the Parliament buildings will be glad to have an expression of opinion from the House as to whether a carillon should be installed at present.

Sir GEORGE FOSTER: Take it up at the beginning of a new session.

Mr. McCURDY: The Senate has already expressed the opinion by resolution that a carillon should be installed without delay, but the committee is not anxious to obligate the Government to pay out immediately more money than is necessary, and therefore has postponed giving a decision for the time being.

Mr. SINCLAIR (Guysborough): How are the materials purchased?

Mr. McCURDY: They are purchased under the direction of the contractors, Peter Lyall & Sons, Limited, and by tender and contract, and the tenders are submitted to the Parliamentary Building Committee for approval before the contracts are awarded.

Mr. FIELDING: Does this Parliamentary Building Committee meet?

Mr. McCURDY: Yes, it has met on an average perhaps three times a month since I became Minister of Public Works. During the past ten days we have been trying to have a meeting, but every time we called one many of the members of the committee were engaged on other duties, and I do not anticipate another meeting will be held until after prorogation.

Mr. FIELDING: Do all the members attend?

Mr. McCURDY: They attend very well indeed.

Mr. PEDLOW: Is the building stone used in the construction of these buildings all Canadian, and if so, from what part of Canada does the stone come that is used on the exterior walls? I have been asked that question very often by visitors, and would like to know.

Mr. McCURDY: Apart from a small quantity of Ohio stone which was used for trimmings about the doors and windows because it was employed in the old build-

ing, the stone used is Canadian stone, obtained partly from Wallace, Nova Scotia, and partly from the Tyndall quarries in Manitoba.

Mr. PEDLOW: The Manitoba stone is used in the interior trim?

Mr. McCURDY: That is known as Nepean stone and comes from the vicinity of Ottawa.

Mr. PEDLOW: But I am referring to the interior trim.

Mr. McCURDY: That comes from the Tyndall quarries.

Mr. SINCLAIR (Guysborough): Where does the marble come from?

Mr. McCURDY: Largely from Missisquoi, Quebec.

Mr. ROSS: What is the inscription on the tower? I cannot make it out.

Mr. McCURDY: I cannot give any information in regard to that.

Mr. REID (Mackenzie): If I understand the minister correctly, there is a difference of opinion between the architect and the builders in regard to the construction of the tower farther up. Has the architect consulted the architects of other towers? Because this is a serious matter. We are running this tower up 300 feet, and I think a great deal of care should be exercised before the construction is gone on with if there is any difference of opinion between the architect and the builders.

Mr. McCURDY: I am afraid I did not make my meaning very clear. What I intended to convey was that while both the builders and the architects are perfectly confident about the enduring qualities of the tower when erected, there was some slight difference of opinion as to whether it would be better to rush the work to completion now or to build 100 or 125 additional feet this summer and allow that to set before going on with the balance in the succeeding year. The committee threw its decision on the side of safety and decided that construction should not proceed very far this year, and that what is built in the next three months shall have time to set before the tower is completed.

Mr. REID (McKenzie): I am obliged to the minister for his explanation, because his former answer left me under the impression that the architect and the builders were not agreed.

Mr. McCURDY: Not at all.

Mr. MACLEAN (Halifax): I could not hear distinctly, but I think my hon. friend from Middlesex (Mr. Ross) asked what letters were being inscribed on the tower. I did not catch the minister's answer.

Mr. McCURDY: Yes, he asked that question and I told him I could not give him the information.

Mr. MACLEAN (Halifax): Is there any means of finding that out? Because if the inscription should not be placed there this is a good time to stop it.

Mr. McCURDY: Yes, I hope before the committee rises to be able to give my hon. friend the information.

Mr. FIELDING: Has all the compensation to the architect under the original contract been paid?

Mr. McCURDY: No, the payments which are due to the architect have not all been paid. The architect's commissions were to be paid on a fixed sum of $5,000,000, but alterations in the plans took place; a larger and more expensive building has been provided, and on the extra cost the architects are being paid their regular commission.

Mr. MARCIL: Two per cent?

Mr. McCURDY: No, 5½ per cent on these so-called extras, such as the central heating station and the additional features that have gone into the building.

Mr. FIELDING: I do not wish to be understood as expressing any opinion as to what the compensation of these gentlemen should be. They have given us a magnificent piece of work, and I should like to see Mr. Pearson well treated. But my recollection is that when the explanations were last given we were shown that the terms of the contract were such that the architects, under the terms of their contract, got all their money when only half the work was done.

Mr. McCURDY: Under their contract they would be entitled to receive all their commission when only $5,000,000 had been expended on the buildings, and doubtless these payments were made. Since that time they have been drawing their fees as against this additional construction.

Mr. FIELDING: Then it is admitted that they are to receive extra compensation?

Mr. McCURDY: Oh, yes.

Mr. FIELDING: I do not think we were informed of that before. I am not complaining at all; I do not want to be ungenerous. My complaint was that the wording of the contract, I thought, was very clumsy.

Mr. McCURDY: I think that the feeling expressed by the hon. member for Shelburne and Queen's will be shared by the members of the House generally. I am sure that the Building Committee are unanimous on the question. They feel that we have a very fine building which reflects credit on the architects and builders and is a fitting home for the Houses of Parliament. I am sure that every hon. member would be sorry if those who were producing this building did so at a financial loss to themselves—the labourer is worthy of his hire. There was an exchange of letters at the time the contract was originally given with reference to limiting the commission to payment on the basis of a cost of $5,000,000. But the contract was not completed and the feeling was unanimous in the committee that further compensation should be given. I trust that that course will meet with general approval; to my mind it is eminently fair and reasonable.

Mr. CAHILL: Does my hon. friend think that an architect who is drawing $50,000 a year is suffering very much if he does not get any more than was originally agreed to? I think there should be some definite understanding about what this building is to cost, when it is to be completed, and what amount by way of extras is to be paid to the contractor and to the architect. I am not at all in favour of this idea that these people are to be pampered and that we should spend money in this extravagant way, allowing them 5½ per cent commission on extras because they did not come within a fifty-per-cent guess of what the building would cost. I think that the people of the country would rather condemn the architect who made such a bad guess about his work than agree to pay him 5½ per cent on extras. My hon. friend talks about "magnificent work," and so on, but I have not met any person in this chamber who has said that the chamber itself is a very good one. I have not met any person who has been quite satisfied with it. As for the rest of the building—well, the lobbies on the sides here are such that an ordinary Galician farmer in Western Canada would not house his cattle in them.

[Mr. McCurdy.]

Mr. McCURDY: If my hon. friend's statement of fact were correct, I would agree with him. But it is not true that the architect is drawing personal fees of $50,000 a year. The operations of the architect require the employment of a large staff and the carrying on of an extensive work in the way of designing, drafting of plans, and oversight of construction. It is not a case of one man drawing these architects' fees; he is paid for his organization in keeping up the work. I know that at times the architect's staff has included eight or ten or more highly-paid assistants—so I am advised by the architect himself; and these services cannot be secured without substantial cost. I think in justice to the architects of the building I should make this matter clear to the committee—that these fees include all the drafting and office staff and all expenses entailed in the carrying on of the architect's work. If only a commission on the original $5,000,000 were paid I doubt whether the architect would get back a new dollar for an old; I do not think he would have anything for his own services at all. I do not think any member of the committee would like to see an outcome of that kind. Large business firms engaging the services of architects pay them a certain percentage for their professional work, and often the rate is more than 5½ per cent. I am informed that the architects' fees in connection with the Sun Life Building in Montreal were between 6 and 7 per cent. The percentage paid in the case of the Parliament Buildings is regarded by those who are in the business as not excessive—indeed, it is looked upon as a modest fee. That being the case, is it not a matter of equity that the architect should receive that fee on whatever the cost of the building is? The cost of the building is not decided by the architect himself; it is a matter for the Building Committee. I repeat that this is a pleasing building, it is one that we can be proud of, and that is the view which has been expressed to me by many hon. gentlemen. Hundreds of people who have visited the building have expressed themselves in similar terms. You cannot have a building of this character without paying for it, and I am sure that members of Parliament will be the last to suggest that we be niggardly in the payment of those who have been responsible for planning and designing the magnificent building.

Mr. SUTHERLAND: We were having some information with regard to the building of the tower a few minutes ago, and

I was endeavouring to ask a question. I would not undertake to criticise those who are responsible for the erection of this building; I would imagine they were highly trained and competent men. In view of past experience in building towers and public buildings in this city, one naturally views with a good deal of interest the building of a tower such as is now under construction. When the minister intimated that it was going to reach a height of somewhere in the neighbourhood of 300 feet, one can rest assured that there is going to be a tremendous weight resting upon the foundation of the tower. For several years back I have noticed that the outer foundations of the tower are built of concrete; in fact, I think that is the only part of the foundation of the building which is built of concrete. To the ordinary layman, it would appear that the concrete is not of a very good quality. I may be wrong in my estimation of it; but I have noticed that it has checked and that, on two different occasions, it has been gone over with cement and the checks filled in, in order to keep the wet and frost from working on it. This may be purely superficial; I am not saying that there is any serious defect in it; but to the ordinary layman it would appear to be rather an inferior quality of cement. In view of the fact that a tower which was put up in connection with the museum a few years ago, had to be torn down, and that another tower on the West Block tumbled over after it was put up, I am merely throwing out a hint that it might be well to have that matter thoroughly investigated.

Mr. McCURDY: I have had no intimation of there being any doubt whatever about the soundness of the structure, and I am quite sure that the apprehensions of my hon. friend are ill founded. I have pleasure in giving him that assurance, and I am sure he will be pleased to have it. I have discussed this matter quite recently with the contractors, and they are confident that the foundation will bear the weight of the tower. So confident are they, that, as I say, they wish to go ahead and finish the construction this summer, without allowing the new work much time to set.

In answer to a question asked by the hon. member for Middlesex West (Mr. Ross) and the hon. member for Halifax, the words which are being inscribed on the tower, some of which are now visible, are as follows. Facing Wellington street:

Give the King thy judgments, O God, and thy righteousness unto the King's son.

That is taken from psalm 72 as, no doubt, my hon. friend will recognize. On one side there will appear these words:

Where there is no vision, the people perish.

On the other side:

He shall have Dominion from sea to sea.

Also from psalm 72.

Mr. MACLEAN (Halifax): Is that approved by the Parliamentary Committee?

Mr. McCURDY: That detail was not approved by the Parliamentary Committee.

Mr. MACLEAN (Halifax): While one is diffident about expressing an opinion in regard to a matter of this kind offhand, it strikes me as being an absurdity; I do not think it will add anything to the beauty of the tower and it is altogether inappropriate.

Mr. CAHILL: Did I understand the minister to state a few minutes ago that it was not the business of an architect to estimate the cost of a building before he submitted his plans?

Mr. McCURDY: I did not make that statement.

Mr. CAHILL: What did the minister say about an architect not having anything to do with the cost of a building? My understanding is that an architect ordinarily gives an estimate of the cost of a building.

Mr. McCURDY: What I said was simply this, that the architect gave an estimate of the cost of reconstruction of the old building. As my hon. friend probably knows, when the old walls were being removed, it was found that it would not do to put a new structure on them; that they were ill-constructed. Alterations had to be made as a consequence of that, and other alterations were made including the addition of a complete storey to the building, with the result that the cost is much larger because you have a much larger building. The additional area which has been secured under the revised plans is half as large as the area in the original building. It is not surprising, therefore, that we have to pay more money for the building.

Mr. SINCLAIR (Guysborough): When the plan was changed, did the architect

not make a new estimate of what the building he proposed to build would cost?

Mr. McCURDY: No new estimate was made.

Mr. McMASTER: I have already expressed myself as to the lavish expenditure which has gone on in connection with this building, and I do not wish to insist upon this point. A matter which I would like to bring to the attention of the minister is the great draughts which are found in this building.

Mr. FIELDING: The drafts on the treasury.

Mr. McMASTER: They are not draughts, they are hurricanes. The draughts that I refer to are those which are very much felt in some of the seats in this chamber. I know that the health of some members has suffered from exposure to these draughts. I would ask the minister if he would have some expert on ventilation examine our ventilation system and see whether these draughts cannot be overcome. They are really a very serious matter to some of our members.

Mr. McCURDY: During the holiday I shall direct the attention of the architect to this particular feature, or defect, of the building.

Mr. MARCIL (Bonaventure): Have these inscriptions been put on the tower?

Mr. McCURDY: They are being put on the tower now.

Mr. MARCIL (Bonaventure): I do not raise any question, but it will be raised sometime or another, regarding an inscription in French.

Mr. McCURDY: This is a matter that has not come before the Parliamentary Buildings Committee. I knew, half an hour ago, just as much about it as other members of the House. I have made inquiries since, and the intimation which I have is the result of my inquiries. I solicited an expression of opinion from the House and I am getting it now.

Mr. MARCIL (Bonaventure): The two languages being official, the point will certainly be raised at some time or other, and it might as well be considered now.

Mr. FIELDING: While I have no objection to the words myself, I can quite understand the point will be raised, and for that reason the hon. gentleman will be well advised not to put any such words on at all. I am not objecting to them; but they would be objected to in other quarters, and we have questions enough of that kind without adding another one.

Mr. SINCLAIR (Guysborough): I should like that attention be drawn to the acoustics of this chamber. It was a great disappointment to myself that the acoustics are not better. This matter has been discussed for a number of years, and every time that the Estimates for the construction of the Parliament buildings has come before this House, the question has been drawn to the attention of the Government. We were assured that we had the best architects that could be found anywhere in Canada attending to this matter, but no one will say that the hearing properties of this chamber are good. There is something the matter with them, and that is one of the greatest difficulties as regards the chamber. The chamber is very beautiful and comfortable in many ways with the exception of those draughts; but we want to hear one another. That is essential, and in this chamber one cannot hear as well as one should hear. I have a notion that one reason for the trouble is the way in which the ceiling is arranged and the space that exists between the walls and the ceiling. I am not sure whether that makes a difference or not; but I should like the minister to take an interest in this question and, before these architects are paid for the work they have done, they should be compelled to give us a chamber in which we can hear one another. This matter of acoustics must be a scientific question that a skilled architect ought to be able to work out. There are buildings elsewhere in the world that are perfect in that respect, and if there is any building or chamber that we ought to have perfect in that respect, if possible, it is the House of Commons. This is where the battle of freedom is to be fought in the years to come, and it cannot be intelligently fought unless the representatives of the people can hear one another when they speak. This is a very important matter, and if anything further can be done to make this chamber a place where you can hear men speak, I trust my hon. friend will give the matter his attention, and endeavour to have the acoustics improved during the recess. I do not think it can yet be too late to take steps to remedy the present condition.

Mr. McCURDY: I am sure my hon. friend has noticed an improvement in the acoustic properties of the chamber over

the previous session of Parliament. I have noticed a very distinct improvement myself. Experiments have taken place, the closing of an entrance at one end, for instance, and alterations of a minor character with the idea of improving the acoustics of the chamber. It is, as my hon. friend has said, a scientific question, but he also knows that acoustics is not an exact science. You cannot get the result that you propose in any given case. I can assure him, however, that the attention of the architects will be drawn to this matter during the recess.

Mr. KEEFER: Is not this largely a question for ourselves to tackle? There are certain gentlemen whose voices are clearly heard throughout the chamber. When the Right Hon. Mr. Lowther, the Speaker of the British House, addressed us the other day his voice could be heard in every part of the chamber. My hon. friend from Bonaventure (Mr. Marcil) speaks in a low voice, yet his voice penetrates everywhere. You can always hear the voice of the hon. member for Shelburne and Queen's (Mr. Fielding). The trouble with some of us is that we mumble our words and talk in such low tones that I defy any one within three or four feet to hear what is being said. I think it is time for some of us, instead of criticising the architects, to begin and criticise ourselves.

Mr. COCKSHUTT: I understand that a little under $9,000,000 has been expended on this building, and I heard the hon. member for Brome (Mr. McMaster) say that that was a very lavish expenditure. Personally, I think we have got very good value indeed in this building, as building goes nowadays. I visited the province of Manitoba only a few months ago and went through their building, which is to accommodate only a comparatively few members compared with ours, being a building for one province only with a comparatively small population, yet that building has cost almost as much as this.

Mr. CAMPBELL: That building is used not simply for chamber purposes; it is largely an office building.

Mr. COCKSHUTT: I went all through it and I saw the nature of it. It is nothing like the extent of this building. I repeat, we have got very good value in this building. I think the money has been well expended. When we consider that this building is to stand for at least a hundred years, perhaps two hundred—it is built of the most durable material and should last a great many more years than that—I cannot agree with the hon. member for Brome that there has been a lavish expenditure, and if the building can be completed for $10,000,000, the cost cannot be called excessive at the present time.

With regard to acoustics, I believe that the hon. member for Port Arthur (Mr. Keefer) has given us one of the main reasons why gentlemen are not heard in this chamber. They do not exert themselves when they speak. I have never heard any one complain that he could not hear the hon. member for Brome (Mr. McMaster), and there are others who can always be heard—sometimes we hear more than we wish to. It is largely a matter of exerting the voice and trying to make people hear.

I would like to draw the minister's attention to the acoustics of another room, much smaller than this chamber, and that is the Railway Committee room. It is almost impossible to hear a speaker there. You can hear the voice, but the words all seem to run together, and the result is that a great many sentences are lost entirely. It is not because the room is too large, not because the speakers are not speaking up well, but there is something wrong in that room which certainly needs attention.

As to the tower, I hope that the very greatest care will be taken in its erection. I have seen one tower fall—in the western block, a few years ago. I happened to be looking out of my window in the direction of the tower, and saw it fall. And another tower was torn down, at the museum. I think we had far better build a tower that is safe than try to reach up too much towards the sky.

Mr. ARCHAMBAULT: "Safety first."

Mr. COCKSHUTT: Towers are a great mark for lightning, and we would not like to see a thunderbolt strike the tower of the Dominion House of Commons; that would be a calamity. I have no doubt that the minister has warned all those concerned that the first requisite is safety, and I hope that that is the policy that will be pursued in building the tower. So far as the committee is concerned, I think those that have had to do with it have given us excellent value. I do not know what my hon. friend from Pontiac (Mr. Cahill) is accustomed to over the river, when he says that part of this building might be used for housing cattle. This

building appears to me to be on very generous proportions, and all the appliances are of the best, and quite as good, I think, as hon. members are accustomed to in their own home town, if not a little better. Therefore, I think, we ought to be well satisfied, and I hope that the building will be completed in as good a fashion as the work has been done up to date.

Mr. BELAND: Many hon. members have complained of the acoustics of this chamber. There is another room in this building in which the acoustics are too good, and the floor too sonorous altogether, and that is the library. I have never been able to understand, in the twenty years I have been in Parliament, why the floor of the library should not be covered with rubber or matting of some kind. It is almost impossible for a member to work in one of the alcoves of the library because of the noise of people who are walking through. This defect could be remedied in twenty hours or less. It is the only library I know of where the noise is so disturbing to frequenters. If this matter comes under the minister's jurisdiction, I hope he will appropriate the necessary sum of money to remedy this defect. Hon. members and senators on the first and second floors can hear the noise when the employees of the library are walking around to get books from the shelves or replace books that have been returned. This is an important matter, and I hope that the minister will give it his attention.

Mr. McCURDY: The question raised by my hon. friend has not, of course, come before the committee, because the floor of the library is just as it was in the olden days. I have no doubt that the reason it has continued so has been because those in charge of the library hesitated to cover up the very fine inlaid floor.

Mr. BELAND: It is no longer pretty.

Mr. McCURDY: Well, in some eyes it is. Possibly there may have been poor judgment on the part of those in charge, but I have noticed on many occasions the drawback to which the hon. member refers. The library is not directly under the Parliamentary Buildings Committee, nor under my direction; it is a joint concern of the Speakers of the Commons and Senate. I shall have the matter brought to their attention, and if I can personally facilitate the rectifying of the evil mentioned I shall certainly see that this is done before Parliament reassembles.

[Mr. Cockshutt.]

Mr. CAHILL: I notice in the Auditor General's Report, volume 3, page V-18, the commission to Peter Lyall & Sons is 4.4 per cent amounting to $105,613; and the paylists paid by the department amount to $65,600. What does that mean?

Mr. McCURDY: That would be the contractor's paylist paid through the Department of Public Works out of a vote similar to this made previously.

Mr. CAHILL: That is not the question. If the minister will look at the report he will find that there is mentioned architect's commission of 4.4 per cent on P. Lyall's bill, $105,000 odd, and paylists paid by the department, of $65,000. There is a commission on that amount also. What is the explanation of that?

Mr. MOWAT: While the minister is looking up this information I might say a word in regard to the acoustics of this Chamber. I went into the Railway Committee room a couple of days ago with Mr. Pearson, the architect, and we tested the acoustics there. We both spoke in raised voices, and he said that the reason why the hearing was so bad there was that the room was not yet fully furnished. The room must have a mat he said, and he added that there was no doubt at all that hearing would improve when the room was properly furnished. He also thinks that this chamber possesses as good acoustic properties as any he has ever known, and he quotes Mr. Lowther, the Speaker of the British House, who spoke here the other day, as saying that in his opinion he had never spoken in a building or in a room which had better acoustic properties than this chamber. The hon. member for Antigonish and Guysborough (Mr. Sinclair) who raised this question almost disproved his own point, for every word he said was perfectly audible over here as far off as I am. The point I wish to make is this: hon. gentlemen have not apparently the mental attitude, when speaking, that is necessary if they wish to be heard. They get up, and instead of speaking, converse across the floor with somebody else and only a few members can hear them. If hon. gentlemen, every time they got up, would make a speech instead of indulging in what is nothing but a private conversation, there would be no difficulty about hearing them and there would be no complaint about the chamber. I think that this is a splendidly proportioned chamber, possessing first-rate acoustic properties, and if hon. gentlemen would always observe the rule

which has been laid down by the architect, never to address any one in particular but to look at the clock and speak at the clock, they would make themselves heard and there would be no trouble about the hearing in the chamber.

Mr. McCURDY: I can answer the question asked by the hon. member for Pontiac (Mr. Cahill). In the Auditor General's Report there is an item which reads:

> Architect's commission of 4.4 per cent on P. Lyall's bill of February, 1919, $105,613.10, pay lists paid by department $65,660.15. Lyall's commission on bill and pay lists, $13,701.86, and voucher of R. W. Hunt & Company, $21.67; $8,139.85; paid as follows: J. A. Pearson, $6,844.88.

—or 4.4 per cent commission on these disbursements made on account of the building. I do not know what my hon. friend's question is, but if he wants to know whether Mr. Pearson's commission is on the total expenditure, the answer is, yes.

Mr. CAHILL: On his own commission as well?

Mr. McCURDY: No; not on his own commission.

Mr. CAHILL: The minister should make an attempt to get from the contractors an approximate estimate of what they believe it will take to finish the building, and the time in which the work will be done, so that we shall not go on from year to year spending more money without any knowledge as to when we are going to be through or what the total cost will be. If it is a case of the architect making suggestions to the contractor and the contractor making suggestions to the architect for further expenditures, of course, it goes without saying that we shall never complete the building and these gentlemen will draw pay from the Dominion of Canada for the rest of their natural lives. The Government, so far, have not made any statement as to what additional fees they expect to pay the architect, or when he will finish making new plans for additions to the building.

Mr. McCURDY: I have already covered the points raised by my hon. friend. I have given a rough estimate of the probable cost of the construction work that remains to be done, and I have also indicated approximately when it will be done. I was grieved to hear the hon. member's reflections on the architects and builders. I have been in fairly intimate touch with them during the past six months and I have an entirely different impression of them both. I think the original Parliamentary Committee—of course, I was not on the committee and therefore cannot take any credit for what they did—made an excellent selection when they decided upon the present architects, and they made an equally excellent selection in Messrs. Lyall & Sons. As far as my observation goes, these gentlemen have all been satisfactory, and I do not think there has ever been any desire on the part of any of them to continue the work unnecessarily. They would all be glad to have the job finished and be about other more lucrative business. I am sure that is the feeling of the contractors and the architects.

Mr. CAHILL: Does the architect say that he is practically paying out what he is receiving in the hire of other architects? Does he not get this amount for preparing the plans and looking after them, whereas the country pays for the supervision?

Mr. McCURDY: No, that is not the arrangement at all. The architect's duties are to draw the plans, oversee the construction, and see that the contractors carry out their work satisfactorily. What I did say was that the architect, in order to function properly, must have a very considerable staff about him, his own office staff. I am advised that at one time he had fifteen or sixteen employees in his office on his own pay roll. who must be paid out of whatever commission he would get on his work as architect of these buildings. What I pointed out before was, that these architect's fees were not personal payments to the architect but payment for the architect's services, which includes the services of his whole organization. It has been represented to me by the architect himself that if the architect's fees were to be limited to the fees on the original estimate of $5,000,000, he would actually be out of pocket a large sum of money, instead of making a reasonable profit on the buildings, as he would in all fairness be entitled to.

Mr. CURRIE: Criticism of the buildings is a little out of place until they are entirely completed. The work is not yet finished. But it is not unusual for undertakings of this nature to receive considerable criticism. The party of hon. gentlemen opposite is the one that has always been prominent in decrying the efforts of this country to erect striking and noteworthy buildings. In this connection I wish to call the attention of the committee to a

certain historical document, a copy of which I hold in my hands. Everybody knows that the buildings which were destroyed by fire were very good buildings. But there is no one who has had occasion to use the former buildings and compare them with the present structure but must come to the conclusion that the comparison is all in favour of the latter as regards beauty, accommodation, and interior arrangement are concerned. Now, the document I refer to was written by a gentleman named George Brown—Hon. George Brown to be perfectly accurate—in 1864, to Sir John A. Macdonald, at that time the Hon. John A. Macdonald, and it had reference to the former buildings, then under construction. After hearing this letter hon. gentlemen will come to the conclusion that history repeats itself, only the language used in 1864 was more mild and gentle than that which has been employed on the present occasion.

Mr. ARCHAMBAULT: What is the date of the letter?

Mr. CURRIE: The letter reads as follows:

TORONTO, August 15, 1864.

My dear Sir,—McDougall and I made an examination of the Ottawa buildings on Friday night, and we came to the conclusion that it was utterly impossible to take possession of the departmental buildings this Fall. By paying an enormous sum—say $75,000 to $100,000 extra to the contractors—the thing might be done in December, but it would be at the risk of the floors bursting up, and sickness to all who take possession of the rooms. What can be done is, to have the departments moved early in the year and Parliament summoned on the first of May, if that is thought to be better than another session at Quebec; it is open for adoption. But removal this fall would bring great discredit on us all.

I write all this very unwillingly. It would suit me vastly better to go at once to Ottawa, and I know how anxious you all are about it. but it was impossible to come to any other conclusion, after seeing the works and conversing with Mr. Page and the contractors.

The buildings are magnificent; the style, the extent, the site, the workmanship, are all surpassingly fine. But they are just 500 years in advance of the times. It will cost half the revenue of the province to light them and heat them and keep them clean. Such monstrous folly was never perpetrated in this world before. But as we are in for it, I do think the idea of stopping short of completion is out of the question. I go in for tower, rotunda, fountains, and every conceivable embellishment. If we are to be laughed at for our folly, at least let us not be ridiculed for a half-finished pile. I go in for making it a superb folly that will bring visitors from all countries to see a work they can't see elsewhere. To say the truth, there is nothing in London, Paris or Washington approaching to it.

[Mr. Currie.]

The Governor General's residence is a miserable little house, and the grounds those of an ambitious country squire. To patch up that building will cost more than a new one, and 10 or 12 acres on the river ought to be taken into the grounds.

In haste,

Yours sincerely,

GEO. BROWN.

Hon. J. A. Macdonald.

That letter was addressed to the Honourable, afterwards Sir John Macdonald, in 1864 when they were erecting the Parliament buildings which the party of my hon. friends opposite said were five hundred years in advance of the time. Now if those buildings were five hundred years in advance of the time, I would not be surprised if my hon. friends opposite were to say that the present buildings are a thousand years ahead of the time. I would commend the letter I have just read to the hon. member for Pontiac (Mr. Cahill). I have had the honour of seeing a great number of magnificent buildings, but I do not think there are very many parliament buildings in the world which can compare with the buildings here; certainly there is not any in Great Britain or in France to compare with them. There may be at Washington, but the style of architecture there is very different. There are two buildings in Washington which may compare with the Ottawa buildings—one the Capitol building and the other the Library—but both are of different architecture. There is no gothic building in the world which compares in magnificence, size and architecture with the Ottawa buildings.

At Six o'clock the Committee rose and the House took recess.

After Recess

The House resumed at Eight o'clock.

PRIVATE BILLS

DIVORCE—ALPHONSE LeMOYNE DE MARTIGNY

House again in committee on Bill No. 120, for the relief of Alphonse LeMoyne de Martigny.—Mr. Ross.—Mr. Boivin in the Chair.

The CHAIRMAN: When this Bill was last before the committee the preamble had been read, the consideration thereof had been postponed, and we were considering clause 1. Shall the clause carry?

Mr. DENIS: Before this Bill is allowed to pass I wish to offer some considerations to the committee which I hope will be

taken as a sincere expression of opinion on this matter and not as having been given utterance to with the object of taking up time. I may say in beginning that I have not the least interest in this matter. I do not know the man, I do not know the wife—I have never seen them—and I am not speaking on their behalf tonight. I am speaking in the interests of justice and on what I believe to be a principle which must be sustained before the committee and the House.

In examining this case I will first go into the particular circumstances connected with it and then deal with the general principles which should govern a proceeding of this kind. Taking the facts of this particular case, we find that the marriage was contracted in the year 1909, that in the same year a child was born as an issue of that marriage, that in the year 1912 the wife separated from her husband on the ground of incompatibility—according to the testimony given—and that in the year 1913 the husband left for California. In 1914 he came back to Montreal, and at that time he had an interview with his wife when he claimed his wife admitted that she was living with a man by the name of Perry. Now, Sir, the first consideration which must strike this committee is the fact that this man in the year 1912, deliberately abandoned his wife and child on the ground of incompatibility. The following year he did not seem to care at all what became of his family, and returning in 1914 from California, he began to be interested in his wife—not for the welfare of the latter, or for the welfare of his child, but simply to find out what the conduct of his wife was at that time. It must be well understood that, according to the testimony given, there is no proof that this man ever gave his wife any money to support her; he simply abandoned her to her fate and began making the inquiries I have indicated in the year 1914. Now de Martigny claims that his wife admitted to him her culpability in 1914. I do not think, Sir, that under the circumstances his testimony should be taken as being the truth; first, because his version lacks plausibility; secondly, on account of his own conduct; and thirdly, on account of the judgments which were afterwards rendered by the Superior Court in Montreal in this same issue. The husband pretended that his wife had committed adultery, but when he brought action against her before the courts of justice later on this action was dismissed because there was no evidence to prove the allegation against this woman. The action in question was brought before the Superior Court. Furthermore, I have a copy of the judgment rendered by Mr. Justice Duclos in Montreal on April 23, 1919, according to which not only was the claim of the woman sustained for alimony to the extent of $100 a month, but the judge accorded her an additional payment of $25 a month, making a total alimony of $125 a month. In the reasons for this judgment the judge says that in such a case, where the husband had the means of providing for a mistress, he should be in a position to pay his wife and child $125 a month alimony. I am not giving this as my own opinion; I am citing a statement from the judgment rendered by Mr. Justice Duclos. Therefore, I take it as equitable that the testimony of the husband on that point should be set aside, and if it is set aside—that is, if the admission of the woman which was supposed to have been made in 1914 is set aside—there is nothing left in the testimony of the husband sufficient to condemn the wife. What else is there in the record? We find that an old woman of 82 years of age named Azilda Fournier was a servant in the house for several months. She does not testify that she ever saw anything wrong there. She says that this man Perry lived in the same house as Mrs. de Martigny, but there is nothing to show that anything of a doubtful nature, or anything in the nature of adultery was committed; there is no evidence to that effect whatever. Another witness was Justine Brousseau, dressmaker, who was also there, and testified that the man and woman lived in the same house but she said nothing as to improper conduct. Finally, there is the evidence of the janitor, Moise Leboeuf, who testified to the same effect; that is to say, that nothing wrong happened in the house between the two, at least to his knowledge.

Mr. EDWARDS: Was it the same house in every case?

Mr. DENIS: No, the woman and the man lived in different houses. They lived in the same house, it is quite true, but there is no proof whatever that anything wrong ever took place between them. If anybody does say that anything of the kind took place he must take for granted something which was not proved in the case. From the judgment rendered by the Senate the inference apparently is

drawn that under the circumstances something improper must have occurred, and consequently the woman must have been guilty. I do not share that opinion, but even if that were true I would not take much interest in the fact as to whether the woman might be guilty or not. I say that in cases like this a divorce should not be allowed. It should not be allowed because of the conduct of the husband. It should not be allowed because—

Mr. FRIPP: Mr. Chairman, I rise to a point of order. I submit to the committee that, under a ruling made by this House four years ago in the Vineberg case, the decision of a committee such as the Private Bills Committee cannot be reviewed by this House, otherwise the usefulness of such committee would be at an end. The House must accept the decision of the committee which has dealt with the particular case to which my hon. friend refers; and the only course open to my hon. friend is to move that the Bill be referred back to that committee to take further evidence; he cannot argue, as he proposes to argue, that the committee did not come to a proper conclusion. If that were true, then every bill that is passed upon by the Private Bills Committee would be subject to review by the House and the committee practically would not function at all. I submit it is not open to my hon. friend to take the position that he does; he must accept the decision of the committee in this case, or move to refer the case back to take further evidence.

Mr. DENIS: On the point of order I wish to state that the questions of fact which were submitted to the Private Bills Committee, or the Senate, are questions which are pertinent to this committee to look into. I submit that we have a right to go into those questions of fact, examine them, and pass judgment upon them. If the opinion just given by the hon. member for Ottawa was well founded the decisions rendered by the Private Bills Committee, or by the Senate, on questions of fact, would be supreme. In that case it would be unnecessary for a bill such as this to be brought before the House as we would have to take it for granted that the moment the Senate, or the Private Bills Committee, had passed a bill the House had nothing more to do with it. I submit such is not the case.

The CHAIRMAN: Shall the clause carry?

Mr. DENIS: No, I have not finished; I was arguing the point of order.

[Mr. Denis.]

The CHAIRMAN: Does any other hon. gentleman desire to speak upon the point of order?

Mr. STEIN: I think my hon. friend from Joliette has given a good reason why the point of order should not be accepted by you, Mr. Chairman. The hon. gentleman who raised the point of order argues that instructions may be given to the Private Bills Committee to allow further evidence to be adduced, but that no argument can be brought forward in this House against the evidence that has already been heard by the Senate. Well, I respectfully submit that this is a mistake. An hon. member who wishes to move that instructions should be given to the Private Bills Committee to allow further evidence to be adduced must discuss the facts already presented in order to sustain his motion. I do not think, therefore, that the point of order can be maintained.

The CHAIRMAN: The point of order raised by the hon. member for Ottawa is, that this committee has no right to review the evidence adduced before the Committee on Miscellaneous Private Bills and that the decision arrived at by that committee must be accepted, or the Bill be referred back for further consideration. I am sorry that I cannot sustain the point of order raised by the hon. member. If the committee of the whole House had no right to review the facts and the evidence there would certainly be no reason whatever for submitting the Bill to this committee, because a bill can only be referred back to any Select Standing Committee by the House itself. I have a distinct recollection that on more than one occasion a Bill of the same nature as that which is now before the committee was voted upon in committee and the different clauses of the Bill rejected after a very full discussion of the evidence adduced before the committee of the Senate, and this in spite of the fact that the bills had been favorably considered by the Committee on Private Bills.

Mr. DENIS: Your decision, Mr. Chairman, being that this committee has the right to go into the evidence, I think if one reads the evidence carefully it will appear that it is very doubtful indeed whether the woman is culpable. Under the circumstances she should be allowed to have the benefit of the doubt; therefore we must take it for granted that in this case the wife is not guilty. Then the question arises: if she is not guilty, why did she not appear before the committee to defend herself? Well, there are

several answers to that question. In the first instance, it may be said that she has already successfully defended herself before the courts of her province. In the second place, it is not very pleasant for a woman to appear before a committee and expose the facts relating to a case of this kind, and she might, therefore, choose not to appear. But the third, and, perhaps chief reason, might be that she is in collusion with her husband; that both are desirous that the divorce should be granted and she, not being guilty, would let her husband appear before the committee and contend that she was guilty in order that, to meet the desire of both, the divorce be granted. It is well known that no divorce can be granted in a case where collusion exists. In this particular case we have to come to one of two conclusions. Either the wife is not guilty, and for personal reasons she did not want to appear, or she did not want to appear because of collusion with her husband. In view of these facts, particularly in view of the fact that the culpability of the woman has not been proved or at least has been only very doubtfully established, I think that the divorce should not be granted.

But apart from the reasons concerning this particular case there are other general principles which enter into a consideration of the matter. We have no divorce law in Canada; consequently, there is no direction to guide Parliament in its decision to grant or not to grant divorces. In the province of Quebec we have a law which provides for separation from bed and board. That law declares that under certain circumstances the wife has the right to ask for separation from bed and board, and that under other circumstances the husband may apply for a like separation. When, therefore, there is a law defining the circumstances and conditions under which separation can be granted—and in this case I compare separation to divorce —the matter is made very much easier. But as I say, we have no divorce law and the only direction, if there be one, is in what I might call the unwritten law under which Parliament grants divorces. And what is the basis of that unwritten law? When the law is written the basis is the letter of the law, but in a case like this, where the law is unwritten, the basis is justice, honour, religion and conscience. The direction which Parliament must follow is indicated in these four words. I would be very careful in a case like this to avoid raising any question of race or religion, and I must point out that I am pleading this question on the point of law and not on the point of race, religion or prejudice. On the point of law, then, I say that this is a case from the province of Quebec. It is a case in which Catholics are concerned, and I should hesitate to say that the principles which apply to Catholics in a matter of this kind should be set aside or not taken into account. When the case comes from Ontario, where the parties are Protestant, the law of that province and the religious principles of the parties must be taken into account. Similarly when the case comes from Quebec, the religion of the parties, the law of the province of Quebec and the conditions which exist there should be taken into account. However, I say this only en passant, because I think I can safely put my case on a more general basis; I think I can look at it from the broader point of view, although I would not like to pass over the point which I have just put forward. In a case like this, then, I can safely place on the same footing the Protestant minister and the Catholic priest, and I think I can invoke the principles of both the minister and the priest in contending that a divorce should not be granted in a case like this. We all acknowledge the sanctity of marriage; it has been recognized by all creeds, by all races, and at all times in the history of the world. We are all aware of the fact that Protestant ministers hold just as strong opinions against divorce as do Catholic priests.

Starting from the point that Parliament is supreme and that Parliament is called upon to pass an Act for the relief of Alphonse LeMoyne de Martigny, I ask: Is this a case where relief should be given? Is this a case where the plaintiff is entitled to relief? The plaintiff in this case is not entitled to relief because he does not deserve it. When a man has lost his wife, not through being guilty himself, when a man has been separated from his wife and the conduct of the wife has been bad, that man can come before Parliament and ask for relief, and Parliament in its wisdom will decide whether or not relief will be granted. In many cases relief will be granted where the husband deserves that relief; but in this particular case relief cannot be granted because the conduct of the husband is much worse than that of the wife, even assuming that her conduct has been bad, which has not been proven in the present case. When a man's conduct is that of this man, as was proven and declared before this committee, the last time the Bill was before the com-

mittee, and more particularly, as was pointed out by my hon. friend from Kamouraska (Mr. Stein), when the conduct of the man has been proven to be such as to be much worse in the present case than the conduct of the wife, even if the wife were guilty, I say that the man is not entitled to relief. What is he seeking relief for? The only relief which Parliament can give to him is relief from paying a pension of $125 a month to his wife and child. Surely he does not want relief to get married again, because, according to his own admission, he is living with another woman and, since he has been separated from his wife, he has been living with several other women. What relief does he want? He wants to get rid of his wife, to stop paying her $125 a month, and what is much worse, he wants to get rid of the moral and natural obligation of paying a pension to his child. That is the only relief which can be granted in the present case. The principle upon which I stand is that in every case where the husband is more guilty than the wife, he should not be granted relief. Before a man can come before Parliament and ask for relief, he must be guiltless of wrong doing. Then—and this is my last word—are we going to forget that through granting relief to this man, who does not deserve such relief, we are going to declare that the mother of this child is a bad woman? This young girl, twelve years of age, will be told in years to come, simply because Parliament wanted to grant relief to the father, which relief the father did not deserve, that her mother was a bad woman and that judgment to that effect was given by the Parliament of Canada.

Therefore, to summarise my opinion in a few words, I say: Taking into consideration all the circumstances, I submit the case has not been proven, or at all events the proof which has been offered is so doubtful that I would not pass judgment upon it and say that the wife is guilty. In the second place, I say: Even should the wife be guilty, the husband cannot ask for relief from Parliament because he himself is more guilty than his wife, and in a case like this where there is no written law upon which the husband can base his claim, no written direction to Parliament, Parliament in its wisdom and discretion and by all the means in its power should say to this man that, until he has proven himself to have clean hands, he cannot come to Parliament and ask a divorce from his wife, simply because that will release him from paying a pension to his wife and child, which pension he is bound, by all laws of right and nature, to pay.

Mr. HOCKEN: This is a very curious situation. We find a man, who is a French Canadian, getting a divorce through the Senate Committee, and all his compatriots in this House are opposed to his getting the relief for which he is asking. My hon. friend (Mr. Denis) proclaims the doctrine that because this man is a Roman Catholic, he should not get a divorce. I had an idea that the laws of this country granted to a Roman Catholic the same rights as to a Protestant.

Mr. DENIS: I would not like my words to be distorted. I never said anything of the kind. I said, on the point of law, that we should not lose sight of the fact that these people are Catholic. I did not for a minute say that this point of law was supreme; that it should be the test of the case. I said that that was one consideration that should weigh in the balance.

Mr. HOCKEN: That is advanced by the hon. member as the reason why this couple should not be granted a divorce. This man is entitled to the same rights and privileges as any other citizen in Canada, and I do not see how we can get away from that. He finds himself in this position; he finds himself required by a decree of the court to pay $100 a month alimony to his wife who, he declares,—and she does not deny it,—is living in adultery with another man and has been doing so for a number of years. That being the case, the man undoubtedly should be given relief, because only in this way can he accomplish two things. Only in this way he can escape payment of alimony to a woman who apparently does not deserve alimony, and as she has another man providing for her, why should he pay alimony? In the next case, if he is granted a divorce—

Mr. PARENT: Where does the hon. gentleman see in the evidence that there is another man providing for the lady in question?

Mr. HOCKEN: I do not think there is any doubt about that.

Mr. PARENT: Where does he see that in the evidence?

Mr. HOCKEN: That is the statement made.

Mr. PARENT: By whom? It is a bare and unwarranted statement.

Mr. HOCKEN: The other side of the question is this, that if this man is granted

a divorce, he is then in a position to get married and to live lawfully with a woman. He is entitled under the law of the country to get married again if this Bill goes through.

Mr. MARCILE: Never.

Mr. HOCKEN: The hon. member says, "never". I quite understand that if the man remains a member of the Roman Catholic Church, he cannot do that. The law, however, of the church is one thing and the law of the State is another; but as regards granting a divorce and putting a man in a position to marry again, the law of the State is supreme. Whatever penalty the ecclesiastical authorities like to impose is entirely within their discretion—and I am not going to question their right to do that. I do not see any reason in the world why the man's race or religion should debar him from having the same rights and privileges as any other citizen of Canada. The hon. member for Joliette (Mr. Denis), who has just sat down, points out that by the laws of the province of Quebec a man can get separation, but that separation does not save him from paying alimony. To escape paying alimony and to undertake proper relations with some other woman, this man has to get a divorce, and I think he is entitled to that. The hon. member for Quebec West (Mr. Parent), speaking on this question the other day, said that the woman had not been convicted of adultery, and he read part of the evidence taken at a trial in 1912 to prove that point. I submit that there was plenty of time between 1912 and the present day for this woman to be guilty.

Mr. PARENT: If the hon. gentleman will allow me to correct him, I said that in 1919 the same evidence was brought forward, and additional alimony was granted the lady in question. Is that sufficient for the hon. gentleman?

Mr. HOCKEN: I would say that there was still plenty of time between 1919 and 1921 for the woman to be guilty. An application for a divorce was made, and this woman was notified to appear and give her evidence in rebuttal of the most serious charge that can be laid against any woman, but she took no steps whatever to clear herself of the charge before the proper tribunal set up by this country. I do not think under the circumstances that we can assume that the woman is innocent. It would be an extraordinary thing if we could. If we are going to review the evidence, we ought to have a divorce committee of this House. For us to refuse to accept the evidence that was presented by witnesses sworn before the Senate Divorce Committee, and then without re-examining the witnesses, to say that they did not tell the truth, that the facts are not as stated, and that we will therefore throw the Bill out, seems to me to be an extraordinary proceeding. I do not think there would be any justification for that at all.

The other ground stated the other day why this divorce should not be granted was that there was collusion. The hon. member for Gaspé (Mr. Lemieux) argued that because he suspected collusion the Bill should be put over. Now, the Senate Committee was better able to decide that question than this House, because they had all the witnesses before them, and were able to examine them on that point as well as on any other point. Surely we are not going to say that the Senate Committee, which heard the evidence of these witnesses, is not in a better position to judge whether there was collusion than we are. I think it is an extraordinary thing that an attempt should be made to prevent this Bill going through when scores of Bills of this kind go through this House without any more or any less evidence of collusion than in this case.

Mr. PARENT: Does the hon. member know of any other case where evidence was offered before the Private Bills Committee with the view of contradicting the evidence taken by the Senate Divorce Committee?

Mr. HOCKEN: No, but I say that the gentleman who appeared before the Private Bills Committee did not appear for the woman.

Mr. PARENT: Suppose he appeared for the sake of society.

Mr. HOCKEN: He did not come there representing anybody but himself; he said so. I do not know that we should attach much weight to representations made in that way by a man who was not sworn, but who simply appeared before the committee to make a statement. He said that he was a relative, and that he had the interests of the child at heart. I do not think that his statement should take precedence over the sworn evidence taken by the Senate Divorce Committee.

I do not agree with the doctrine of the hon. member for Joliette, that this Parliament should act on the unwritten law rather than the written law. We have a method of getting divorce in this country,

and that method has been followed in this case. Everything has been properly done, the proper tribunal has given a decision, and now when the case comes to us, surely we are not going to go all over it again. If we attempt to do that, we must call the witnesses, and appoint a committee to hear the evidence that has already been taken by the Senate Committee. It is quite immaterial to me what happens to Mr. Martigny; I would not know him from a side of sole leather; but if we are going to have equality under the law, surely this man is entitled to the same consideration as scores of other men whose applications for divorce have been granted by this Parliament. It is perfectly absurd to say that because the man is a French Canadian he should not have the same rights as a British Canadian.

Mr. PARENT: Who says that?

Mr. HOCKEN: I am fighting for you fellows.

Mr. LEMIEUX: The question is not whether this gentleman is entitled to equal rights with a British Canadian. We live under a constitution that gives equal rights to all Canadians and British subjects. The question is whether in the present instance the facts and the procedure justify the granting of a divorce. Divorce, like separation from bed and board, is always a very serious matter, as it affects the fundamental rights of the family and of society. The family is the basis of society, and if you destroy the family by the granting of divorce, or separation from bed and board, without scrutinizing very closely the facts of the case, you are not playing fair or doing the manly thing towards your conscience and towards society.

In the present case, I would call upon my hon. friend to read very closely the evidence which has been adduced in the other chamber, and as a gentleman who claims to be a Christian, as I do, he will find that the evidence does not justify the granting of a divorce in this case. If, as was stated the other day, in the courts of this land, where applications for separations are heard, the judges found that the facts did not justify granting a separation, I say there is much less ground for the committee of the Senate granting a divorce in this case. At all events, that is the business of that committee. But this House has also a committee, the Committee on Private Bills, and I think that we are entitled by jurisprudence to ask that the evidence be heard before the Private Bills Committee.

I have said on another occasion that there has been collusion in this case, and I say now, there has been collusion. Further, Mr. Chairman, I object as a member of this House to being canvassed on such a serious matter as this or on any other matter coming before this Parliament, and there has been a systematized canvassing of members for the granting of this divorce. I object to the canvassing of members on any question, because members of Parliament must act as free agents; but if there should be objection in any one particular instance it is in the case of divorces. It is nothing short of a scandal that members should be button-holed and canvassed for the purpose of giving to a young lothario at large the divorce which he is so anxious to secure. The evidence in the case does not justify the granting of the divorce. There is collusion in the case, and it seems to me that when this statement is made there should be no desire to rush the passage of the Bill. We are all sitting in this case as judges on the bench, and when a judge informs the court, first, that he has been canvassed, and secondly, that he can prove that there is collusion in the case, I do not see why his brother judges should say: "No, we must deal with the case as it is before us." I say, Mr. Chairman, that as a judge in this case I have been canvassed, and I have the evidence that there is collusion. Surely, then, the Parliament of this country will not lower itself to the point of granting a divorce under such circumstances. I will object strenuously to the passing of this Bill.

Mr. EDWARDS: I am not a member of the Private Bills Committee.

Mr. LEMIEUX: You are a member of the House.

Mr. EDWARDS: I am aware of that fact, thank you. I am not a member of the Private Bills Committee and therefore no one would canvass me in regard to this or any other divorce case. Nor has any one done so. I have not read the evidence in this case, and was not present in the House when it was under consideration before. So that any conclusion I have drawn is based on what I have heard since eight o'clock. Now, in regard to the question of collusion—and my hon. friend (Mr. Lemieux) states positively that there was collusion—it strikes me as somewhat strange that hon. gentlemen who preceded the

member for Maisonneuve, on that side of the House, should try on behalf of the defendant to prevent this divorce going through. If, according to the hon. member for Maisonneuve, there was collusion, then undoubtedly the two parties would be agreed on the desirability of having the divorce go through; they would both want it to go through. I do not think that the question of the religion of the applicants for divorces is something that should be brought up in the House. I do not care what their religion may be, because whether or not a divorce should be granted to any applicant is a matter that should rest on a basis other than the respective religions of the parties. If the case has not been proved against the defendant then the divorce should not be granted. I understand that when the committee passes its opinion on a Bill like this it takes all these facts into consideration, and having done so reports to the House with a view to having its decision approved by the House. It is then the responsibility of members of Parliament, doing their duty in the case, to come to a conclusion as to whether or not the fact of adultery has been established against the woman. Those who think that the case has not been made out, according to the evidence submitted to the Committee, certainly should vote against the Bill; that is the only course open to them; and those who consider that the evidence is sufficient, and that the case has been established, must record their opinion the other way. One thing must strike every one as being a little strange in this matter,—I know it influences me in my judgment of the case,—and that is that this woman, who is within easy reach of Ottawa, has never tried to prove her innocence. She is charged before the Senate with having lived in adultery with this man, not in one house alone; whenever he moved she seemed to move also and live in the same house with him. As my hon. friend from Toronto (Mr. Hocken) says, that is the gravest charge that can possibly be made against a woman; nevertheless, notwithstanding that the defendant in this case lives in proximity to Ottawa, she has not made any attempt to defend herself against that charge. That fact weighs with me, as it would in any other case, whether it were a divorce case or not. One is bound to be influenced by a fact of that kind. We had nothing in rebuttal of the statement made by the petitioner; no evidence has been adduced to contradict it. Under the circumstances I do not see what else the Private Bills Committee or the Senate could have done, on such evidence as they had, than to recommend a divorce. I do not see that the Private Bills Committee could have done anything else than endorse the act of the Senate in passing the Bill on to this House. For the reasons I have stated I shall have to vote in favour of the granting of the divorce.

Before I conclude I might remark that this case furnishes another example to this House and to the country of the deplorable situation that exists in this country in the matter of divorce. We should have divorce courts in the Dominion of Canada. I have long been of that opinion, which I believe is shared by the vast majority of the people of the country. Applicants for divorce should not have to come before the Senate and the House of Commons but should have their cases tried by properly constituted courts established from one end of the country to the other.

Mr. STEIN: I am sorry to have to address the House again on this subject as I did on Monday last, but, like several of my colleagues on this side of the House and even some hon. gentlemen on the other side, I feel that owing to lack of evidence in this case the Bill should not be accepted by this committee. Of course, I have the greatest respect for hon. gentlemen on the other side of the House who do not share this opinion, and their position has been very frankly stated by the member for Frontenac (Mr. Edwards). No doubt many other hon. gentlemen on the other side are in the same position as himself; they have not read the evidence. I believe that if hon. gentlemen did read the evidence carefully and, as I have done, several times, they would have no difficulty in concluding that there is not in this case that amount of evidence which is ordinarily brought before the Senate Committee on similar cases. As I stated the other day, I took the trouble to read the evidence in a few other divorce cases and I failed entirely to find any such lack of evidence in any other divorce proceedings as there is in the present case. The hon. member for Toronto alluded a few moments ago to the evidence that had been adduced before the courts of the province of Quebec in this case as far back as the year 1912. I may be allowed to correct some of his statements. The other day when I spoke on this matter I had not the exact dates before me; I have them to-day, however. The first time the case came before the courts of Quebec in the city of Montreal was in the year 1912, on November 22. There Mrs. de Martigny

instituted an action against her husband to obtain separation from bed and board, under our provincial law. She secured a judgment in 1912 and her husband was ordered to pay her a monthly allowance of $100. The matter remained in abeyance until 1919, when Mrs. de Martigny again came before the Montreal courts and asked that the monthly allowance of $100 be increased. Her husband contested her petition and also asked to be given the custody of the child, and in order to sustain his petition he alleged the very same facts as those alleged by him in his petition before the Senate Divorce Committee. The case was heard, both parties presented evidence, and two judgments were rendered on April 23, 1919, by Mr. Justice Duclos. He increased the allowance, rejected the petition of the husband to be given the custody of the child, and declared that the husband had not proved his allegation that it was not in the interest of the child that she should remain with her mother as previously, because he was openly living with another woman. The husband appealed against those judgments in the Court of Revision, and while that appeal was pending the husband's mother filed an intervention in the case claiming the custody of her grandchild, stating that in her opinion neither parent deserved to have the custody of the child.

9 a.m.

The CHAIRMAN: Order. I am sorry to have to interrupt my hon. friend, but if he will refer to rule 25 he will find that Private Bills have precedence only for the first hour on Friday nights. It is now nine o'clock, and therefore I will be obliged to report progress on this Bill.

Progress reported.

SUPPLY

The House again in Committee of Supply.

The Naval Service—to provide for the maintenance of the Royal Canadian Navy, $2,500,000.

Mr. LAPOINTE: Will the minister tell the committee what was done last year with the money then voted for the Naval Service?

Hon. C. C. BALLANTYNE (Minister of the Naval Service): I might first explain that I stated last year when the Naval Estimates were up that it was the intention of the Government to dispose of the Rainbow, the Niobe, and the two old submarines, and that we had accepted from the Mother Country one modern cruiser, two modern torpedo destroyers, and two modern submarines. Those ships arrived at Halifax on December 18 last year, and at the present time they are on the Pacific coast. They will be leaving there shortly on their return to Halifax.

In answer to my hon. friend from Quebec East as to what we did with the money voted last year, we kept up the naval college, the naval dock at Halifax and Esquimalt, and we maintained in commission up to the time we sold them the Rainbow and the Niobe.

Mr. FRIPP: Who purchased the Niobe, at what price, and was the full price paid? Also, who purchased the Rainbow, at what price, and was the full price paid?

Mr. BALLANTYNE: The Niobe was sold to the New Brunswick Rolling Mills Limited, after public tenders had been called for, for $135,000.

Mr. FRIPP: Was the full price paid?

Mr. PARENT: Were many tenders put in?

Mr. BALLANTYNE: I wish to slightly correct my statement. The New Brunswick Rolling Mills Limited bid of $135,000 included the Niobe and the two obsolete submarines. They have paid $20,000 so far on the purchase, and the balance is payable according to the terms of the contract. The following tenders were received for the Rainbow:

C. S. Sutherland Limited, Edmonton.	$ 5.000
Yarrows, Limited, Vancouver..	8,000
Alexander Zeeve, Seattle, Wash.. ..	34,565
Evans, Coleman & Evans, Limited, Vancouver..	36,855
Nieder and Marcus, Seattle, Wash.. ..	67,777

The department accepted the highest tender of $67,777, and the money has been paid into the consolidated revenue fund.

Mr. FRIPP: Was it mentioned in the tenders for the sale of the Rainbow that only part of the purchase price need be paid, and time would be given for payment of the balance? My information is that it was a cash transaction, and some—

Mr. REID (Mackenzie): Louder, we want to hear you down here.

Mr. FRIPP: I am asking the minister if when tenders were called for the purchase of the Niobe it was stipulated that it was to be a cash price. The minister has answered that part of the price of the successful tenderer was paid I should

like to know if it was not stipulated that the price was to be a cash price, because I have information from persons who did tender on a cash basis, and their tender was refused. Therefore, I think it is in the interest of the committee that we should know what the stipulations in the tenders were.

Mr. BALLANTYNE: My information is that no particular terms were specified in regard to payment. We simply offered for sale by public tender the Rainbow and the Niobe. Cash has been paid for the Rainbow, but only a partial payment of $20,000 has been made for the Niobe.

Mr. FRIPP: I think it is my duty to point out that when these tenders were called for the Niobe—and that is the only ship I have any knowledge of—it was understood between the department and some persons in Ottawa who were prepared to purchase that ship that it was to be a cash transaction, and they were the highest tenderers on that basis. Now it appears that this New Brunswick firm was awarded the ship by simply paying $20,000. I should like to know if there is a binding contract with the New Brunswick company for the payment of the balance, when the payments are due, and whether the ship has been delivered to the purchasers or is still under the control of the department until the full purchase price is paid.

Mr. BALLANTYNE: The hon. member is quite right that some tenders were sent in on a cash basis, but inasmuch as those tenders were all too low I refused to accept them and called for tenders on three different occasions. The tenders that we received were as follows:

John Simon, Halifax, N.S.	$20,000
J. E. Lipsitz Company, Chelsea, Mass.	$80,000
Baker & Betcherman, Ottawa	88,000

Mr. FRIPP: Those were cash offers?

Mr. BALLANTYNE: Yes. The next tenders were from:

J. E. Lipsitz Company, Chelsea, Mass.	$80,000
Baker & Betcherman, Ottawa	88,000

We did not accept those tenders either because we thought they were too low, and for a third time we called for bids, with the following results:

Baker & Betcherman, Ottawa	$100,500
A. Garson & Co., St. John, N.B.	112,000

Therefore we accepted later on the offer of the New Brunswick Rolling Mills Limited of $135,000, which included the two submarines, because their bid was a good deal more than the highest bid of $112,000 from Messrs. A. Garson & Co. We gave them time to make their payments.

Mr. FRIPP: Were not the tenders of $100,000 by the Ottawa firm and $112,000 by the Halifax firm simply for the Niobe? Did these two tenderers understand that by making a further tender they would have to include the two submarines? And, further, what value did the department put on the two submarines that were thrown in to the successful New Brunswick tenderer at $135,000?

Mr. BALLANTYNE: Even so, Mr. Chairman, if we deduct the price of the submarines the tender by the New Brunswick Rolling Mills Limited was still considerably higher than any of the other tenders.

Mr. FRIPP: Does the minister consider it was fair to ask tenders for the Niobe alone, and then, not having received sufficiently high tenders, to say to one company, without giving the others an opportunity to tender, "Oh, you may tender also upon two submarines"?

Mr. PARENT: Was that the case?

Mr. FRIPP: That is the information I have. I should like to get an answer to my question as to whether the ship has been delivered to the purchaser or is still under the control of the department until the full purchase price is paid?

Mr. BALLANTYNE: The Niobe, I regret to say, is still at Halifax, and we may have some trouble with this firm. I have handed the matter over to the Department of Justice. But I am sure that all hon. members will at once see that after these bids came in, it was my duty, as the responsible minister, to accept the highest bid, and undoubtedly the bid of the New Brunswick Rolling Mills Limited was much higher than the next highest bid.

Mr. FRIPP: Of course it is the duty of the minister to accept the highest bid. But the minister has not yet made himself clear as to whether the two unsuccessful tenderers, namely, the Halifax firm and the Ottawa firm were made acquainted with the fact that the two submarines would also be included in the purchase price. My information is that they were simply asked to tender on the Niobe alone, which is an entirely different matter.

Mr. FIELDING: Would it not be good business in asking tenders to have it clearly understood what the terms are so as to prevent any misunderstanding?

Mr. BALLANTYNE: I am informed that the bids were on the same basis. All these tenderers were asked to bid for the Niobe and also for the submarines. Some of them bid for the Niobe alone, but the New Brunswick Rolling Mills Limited bid for the Niobe and for the submarines also. But if we deduct from the $135,000, $16,000 for the submarines, the price that we got from the Rolling Mills Limited for the Niobe was by far the highest price.

Mr. FIELDING: How does my hon. friend arrive at $16,000 as the price for the submarines?

Mr. BALLANTYNE: That was the highest bid we got for the two submarines.

Mr. PARENT: Were there any separate tenders called for the submarines?

Mr. BALLANTYNE: Tenders were called for the Niobe as well as for the submarines. The highest bid for the submarines was $16,000.

Mr. RINFRET: Were there other bids for the submarines?

Mr. BALLANTYNE: Yes, quite a number of them. Messrs. A. Garson and Company, St. John, N.B., offered $6,500 for both—for CC-1, $3,000, and for CC-2, $3,500. Then John Simon, Halifax, quoted for the CC-1, $6,000, and the CC-2, $6,000.

Mr. RINFRET: How much was paid for these submarines?

Mr. BALLANTYNE: $1,100,000. We paid about $1,200,000 for the Niobe.

Mr. FRIPP: When the minister found that this New Brunswick company were able to pay only $20,000 on a purchase price of $135,000, did he take any security for the balance? Would it not have been better to accept the cash offer of $100,000 tendered by the Ottawa firm than to accept only $20,000 cash from another firm and then have to try to collect the balance through the Department of Justice?

Mr. BALLANTYNE: The hon. gentleman would be quite correct in taking that ground if I had had any information before me at the time that the New Brunswick Rolling Mills were not able to pay for the Niobe. I have no reason now to believe that they are not able to pay. We did make careful inquiries with regard to the standing of the New Brunswick Rolling Mills, and the information was that their financial standing was good. Two bids were received, one for $88,000 and the other for $112,000, and so far as I could tell both firms were in good financial standing. I am sure, therefore, that hon. members of the committee would have found serious fault with me if I had accepted the tender of $88,000 under those circumstances. The only reason why this firm has not taken delivery of the Niobe—and it is not a financial one, as I understand—it is that the value of steel and of everything that enters into the make-up of a ship like the Niobe has considerably depreciated, and this firm would now like to get out of their purchase. The Government, however, still have the Niobe. I do not know what other security we could take. The duty is now upon the Government of seeing that this firm carry out their bargain and pay for both the submarines and the Niobe.

Mr. SINCLAIR (Guysborough): Did the minister take a cash deposit with the tender?

Mr. BALLANTYNE: Yes, $20,000.

Mr. FRIPP: Will the $20,000 be forfeited to the Government if the contract is not carried out by the purchaser? If so, within what time will the money be forfeited?

Mr. BALLANTYNE: I do not see any reason at all for letting this firm out. They knew what they were doing when they tendered for the Niobe and the submarines. We have $20,000 of their money, and we have the Niobe. The firm is financially good and it is the intention of the Government to see that they pay for the Niobe and the submarines according to the contract price, $135,000.

Mr. FIELDING: Was there a written contract?

Mr. BALLANTYNE: Yes.

Mr. FIELDING: We ought to have it.

Mr. BUREAU: As I understand it, the minister thought the first tenders were too low, so he did not consider them. The third time tenders were called, a tender was received for $112,000 cash from a St. John firm and $135,000 cash from the St. John Rolling Mills, including the submarines. The law says that when tenders are called for the highest tenderer should get the contract according to the conditions of the tender. By what authority did the minister vary the conditions of the tender by allowing the New Brunswick Rolling Mills to pay the purchase price in instalments? Also, how were the instal-

ments to be paid and what was to be the rate of interest?

Mr. BALLANTYNE: It is true that this Ottawa firm quoted $88,000 cash; they did not want the submarines. The other tender was $135,000 but the tenderer in this case could not pay cash. I considered it was my plain duty to get the highest price I possibly could, and the arrangement was that this firm was to pay $20,000 cash and the balance at the rate of $10,000 a month.

Mr. BUREAU: What was the date of the contract?

Mr. BALLANTYNE: I am sorry I have not the contract before me, but it would be in November or December of last year.

Mr. BUREAU: Have the submarines been delivered to this firm?

Mr. BALLANTYNE: Yes, but the Niobe is still at Halifax.

Mr. PARENT: When the hon. gentleman says that the Niobe is still at Halifax, does he mean that the Niobe is the property of the Government? The fact of its being at Halifax or elsewhere does not necessarily mean that it belongs to the Government?

Mr. BALLANTYNE: The Niobe is being held at the port of Halifax until such time as the New Brunswick Rolling Mills carry out the terms of the contract. We are not going to turn over the boat to them until payments are made according to the contract.

Mr. PARENT: The minister has said that the case of the New Brunswick firm is in the hands of the Department of Justice. What is the reason for its being in the hands of the Department of Justice?

Mr. BALLANTYNE: The reason is this: $10,000 was due from this firm on the first day of January of this year and $10,000 every month afterwards.

Mr. PARENT: That is, according to the terms of the contract?

Mr. BALLANTYNE: Yes, and the payments have not been met. The only payment was the initial one of $20,000. The Department of Naval Service could not get the money out of them so we turned the matter over to the Department of Justice and told them to take the necessary steps to secure payment.

Mr. SINCLAIR (Guysborough): Have not the New Brunswick Rolling Mills paid for the submarines?

Mr. BALLANTYNE: The total amount of their tender was $135,000. All that they have paid so far is $20,000.

Mr. McCREA: Have they delivery of the submarines?

Mr. BALLANTYNE: Yes, but they have not delivery of the Niobe.

Mr. SINCLAIR (Guysborough): How did the minister come to decide to deliver the submarines to the rolling mills without being paid for them? I understand that the $20,000 was a deposit which would be forfeited if they did not go on with the contract; that it was not part of the payment for the submarines. Do I understand the transaction to be that $20,000 was deposited as security along with the tenders; that it was held by the department for that purpose, and that subsequently the department turned over the submarines to this company without being paid anything for them?

Mr. BALLANTYNE: The rolling mills deposited a cheque for $13,500 with us at the time they sent in their tender. This could not be considered a deposit cheque in the broad sense. They merely sent in their cheque for that amount to show their good faith.

Mr. PARENT: Ten per cent on the contract.

Mr. BALLANTYNE: Yes. We turned over the submarines to them, and in addition to the $13,500 they made another payment of $7,000.

Mr. SINCLAIR (Guysborough): Was that the price of the submarines?

Mr. BALLANTYNE: No, $16,000 was the price of the submarines. There is no question that the St. John Rolling Mills are trying to get out of their purchase; they are sorry that they put in so high a bid; they regret having bought the Niobe and the submarines, and they are now trying to get out of their tender.

Mr. McMASTER: Have they been sued by the Department of Justice.

Mr. BALLANTYNE: When they defaulted on their payment, I at once sent an official letter to my colleague the Minister of Justice (Mr. Doherty), enclosing a copy of the contract and asking him to see that the Government got payment or

else to take prompt action against this firm. I am not in a position to say how the matter stands at present.

Mr. PARENT: Was this done a long time ago?

Mr. BALLANTYNE: In February, if my memory serves me aright.

Mr. SINCLAIR (Guysborough): I cannot help thinking that the transaction as regards the submarines was unbusinesslike. The submarines, like the Niobe, should have been held until the Government were paid in full for these vessels. The fact is that the company made a deposit for the purpose of showing their good faith, that they would carry out their contract and purchase the boats when the Government delivered the boats to them, so that no part of that money should have been credited to the purchase of the submarines. They should have been paid for in full when delivered.

Mr. BALLANTYNE: The company, at the time the contract was signed, represented to the Naval Service Department that they particularly wanted the submarines before the bad weather set in. They said that they did not want to take delivery of the Niobe until later. From all the information that I had, they were good financially; I still think the St. John Rolling Mills are perfectly good financially, and we let them have the submarines. Our contract is a good contract in every way. There is no possible chance of the company getting out of it: the only way in which they could get out of it would be if they were in a position to implement the contract and pay for the Niobe. As far as I can learn, their financial standing is perfectly good, and we must see that we get our money.

Mr. BUREAU: Did the minister, after getting the New Brunswick Rolling Mills to make this offer to pay by instalments, summon the other tenderers and ask them if under the same conditions they had to pay, say $10,000 a month, they would not raise their tenders; or did he call for new tenders, stating in the notice that a certain amount of cash would be required and that so much time would be allowed for payment of the balance of the purchase price? I think that would have been a fair way to have handled the matter. If those men offered $135,000 for the submarines and the Niobe, took delivery of the submarines, got what they wanted and then turned their backs on the Government and said: "We will not carry out the balance of our contract," I do not think it is fair to say that the deposit of 10 per cent should be credited to the payment of the submarines. If the same proposition had been made to the other tenderers, I do not say that that would have made any difference, but it would have been fairer and according to the spirit of the law that the minister should have called the others in and said to them: "Will you raise your tender if you are given time for the balance of the purchase price in addition to your deposit; or, if you deposit $20,000 on account, you can have the submarines, and we will hold the Niobe as security for the balance?" This firm probably wanted steel last fall, and when these two submarines which, I understand the minister to say, cost a little over $1,000,000, were delivered, and when this firm got the steel they wanted, as I said just now, they turned their backs on the Government and said: "Now, look for the balance." They may be good financially; I do not know. I never heard of them before; I do not know the manager, nor the directors, nor who formed the company.

Mr. BALLANTYNE: My hon. friend has been a long time in public life, and he knows that this is the usual practice. When public tenders are called for, as a rule they are called for only once. If I had followed the usual governmental practice, the minute these three tenders, namely, $20,000 $50,000 and $75,000 came in, I would have accepted the hightest bid, $75,000, and closed the transaction. No hon. gentleman would have offered any criticism in this committee at all if I had read out those bids and said that I had accepted the highest offer. It is an unusual thing to revise bids on three different occasions; but I considered the Niobe was worth a good deal more than the highest bid of $75,000 and, therefore, I worked diligently with those bids. This Ottawa firm, on the second bid, came up to $88,000; on the third bid they came up to $100,500. I do not think it would have made any difference in the price had we called these firms in and said: "You need not pay all cash; you may take a little longer time;" I do not think they would have changed their bids at all. If the department has made an error, the error has been made in endeavouring to get as high a price as possible for the Niobe

Mr. FRIPP: Having some knowledge of this matter in the way that I have mentioned, I must say that the minister was insistent on getting a higher price than was offered by the Ottawa firm and by the

next lower tenderer at the time. He insisted that the price offered, by the Ottawa firm, even of $100,000 cash, was too small. My only criticism of the minister's action is that I think he ought to have acquainted the Ottawa firm and the Garson firm with the fact that they could make their payments by instalments. The offer of the Ottawa firm was a cash offer. They were told that they had to pay 10 per cent down and the balance the moment the contract was awarded to them. That was a specific declaration of policy on the part of the department. Now it seems that when the offers were refused, and properly refused because they were not high enough in the judgment of the minister, this New Brunswick firm was allowed to make a part payment, whereas the Ottawa firm and, no doubt, the Garson firm, if they had been acquainted with the fact that they would be allowed to make part payments and would be given time for the balance, might have tendered higher.

Mr. BALLANTYNE: Does my hon. friend think that his clients would have made a higher offer had we given them time?

Mr. FRIPP: I am inclined to say that they would, because I believe that they were prepared to go higher. It is not every firm in Ottawa that is able to raise $100,000 in ten days. This firm was a responsible firm. In face of the fall in price of the brass, steel and iron in these ships, the New Brunswick firm very properly—

Mr. McMASTER: Most improperly.

Mr. FRIPP: —endeavoured to get out of the contract because it was going to mean a big loss to them. The tenders in the first instance were called for cash, ten per cent down and the balance on delivery. I must say in justice to the minister that he was most anxious to get the very top price, hoping, no doubt, as he did, that this New Brunswick firm would be able to pay the $135,000. As a matter of fact, they have put up only $20,000, and he is likely to have these ships on his hands again, but one cannot criticise that because the representations made by this New Brunswick firm no doubt were that they were financially able to carry out their contract.

Mr. PEDLOW: Was any specific time arranged for as to when the balance of the purchase money was to be paid by this firm?

Mr. BALLANTYNE: I have just answered that.

Mr. PEDLOW: When was the sale made?

Mr. BALLANTYNE: Towards the latter part of December last.

Mr. GORDON: Christmas time.

Mr. BUREAU: The intention of the minister may have been very good, but I think the results are very bad. The results are that this firm have these two submarines and all the steel they want, and the minister has the Niobe tied up to the dock. Why? Because steel has depreciated and the value of the Niobe in consequence has gone down.

Mr. BALLANTYNE: What difference does that make, may I ask my hon. friend?

Mr. BUREAU: It makes this difference. If you put the Niobe under the hammer to-day you would not get $20,000, and you would have sold these two submarines and the Niobe for less than $40,000.

Mr. BALLANTYNE: I would ask my hon. friend a legal question. If a firm like this, which is good financially, buys the Niobe and the submarines for $135,000 and signs a bona fide contract with the Dominion of Canada, what difference does it make whether steel goes up 50 per cent or goes down that much? The contract is legally binding, and we will see to it that we get just as good a lawyer as my hon. friend to make them pay for what they bought.

Mr. BUREAU: That is not a legal question. This matter is a question of finance on which my hon. friend ought to know much more than I do. I say that if the New Brunswick Rolling Mills are as good a firm as my hon. friend pretends they are, they ought to be able to raise $135,000 just as well as the clients of the hon. member for Ottawa (Mr. Fripp). His clients were able to put up $100,000 cash. My impression is, without going into this matter, that this firm may have no assets. The stockholders may have great names, but they may not be personally liable. If that is the case, and the firm has no assets, my hon. friend will have no security except the Niobe, and if he sells the Niobe for $10,000, he will be out $70,000 compared with what he could have got if the tender of the clients of my hon. friend from Ottawa had been accepted. The firm may be all right; I do not know what their assets are, or who the manager is, but

to the ordinary business man it would look like this: According to the statement of the minister the two submarines cost $1,000,000. Now, if they have depreciated 50 per cent, they would still be worth $500,000, and if they have depreciated even 90 per cent, they would be worth $100,000. To the ordinary business man it would look as if this firm was running away with at least $100,000 worth of property of the Government, and saying that they would not pay the balance due on the contract. I do not know how it looks to my hon. friend, but here is a reputable firm that is going to allow itself to be dragged before the courts to pay the balance of the purchase money. They have these two submarines, the value of which may have depreciated. I do not say they would bring much in the open market as vessels to be used for naval purposes, but still the steel was there.

Mr. FRIPP: They were purchased for scrap and the steel and scrap have gone down in price

Mr. BUREAU: Yes, that is the reason why they do not want to take the Niobe. This firm is willing to be dragged before the courts, and the first impression of the ordinary man, who is not a financier but a poor country lawyer, is that the assets of this firm cannot amount to much, the personal liability of the stockholders must be covered, and that is the reason why they are going to take the chance of the sheriff coming in.

Mr. CLARK (Red Deer): I am a little jealous for the high standing of the First Lord of the Admiralty in the Canadian Government, and I intervene at this stage in the hope that this debate has already gone far enough in the way of presenting him to the country as a dealer in old iron. I trust without wanting to dictate to my hon. friends, that we may now turn our attention for a while to this vote of $2,500,000 which this minister is asking for the Naval Service of Canada. I could not help wondering as the old-iron discussion was proceeding, how long it will be before these three vessels the minister got last year from the British Government will be sold for old scrap iron in this way. If that is to be the main business of the minister, I should be very apprehensive if there was any danger of another war coming on, because, after all, the defence of our coast would not be very much promoted by the minister continually dealing in scrap iron. Can he tell us how these three vessels are getting on? He will remember that last year I told him in a very friendly way, for he and I are the best of friends, that I thought the Admiralty in Britain had put one over on him in presenting him with these three vessels. I suppose part of this $2,500,000 is to be spent in the upkeep of these vessels. I should like to know where this $2,500,000 is going. That is a lot of money in the present condition of the finances of this country. We had last year a national debt of $2,250,000,000, and so far as the national debt of the country is concerned, we have just added to that $100,000,000, making the national debt $2,350,000,000. Now if part of this $2,500,000 could be saved, it would help us a little in the face of this enormous debt that we have to deal with. I should like to know how the dock yards are, and how many naval officers we have in the Inside Service at Ottawa. We used to get a look at the officers a year or so ago; we knew when we were passing them on the street, because they used to have a uniform, but I believe they are knocking around in mufti now. I do not know whether the minister is rather ashamed of the Naval Service, but if he would put them in long trousers, or wide trousers, with a little decoration, we would know them when we met them. As it is, we cannot count them because we do not know them when we see them. It might save time if my hon. friend would make a little statement as to how these three ships which he got so cheap, are getting on, how the naval college is getting on, how many naval students there are, how many naval officers we have in the Inside Service at Ottawa, and how the dock yards are.

Mr. BALLANTYNE: I shall be very glad to give my hon. friend any information I possibly can. I am glad to note that he has missed the blue uniform of the Royal Canadian navy on the streets. The only reason why he happened to see them in that well-known uniform a year or so ago was because the war was then on. During peace time at headquarters they are not permitted to wear their uniforms. The ships on the Pacific coast at present are the Aurora, two torpedo destroyers, the Patricia and the Patriot. The cruiser Aurora was built in 1914, is oil burning, and carries a complement of officers and men numbering 318. The two destroyers are oil burners built in 1916 and carry about 90 each of a personnel. The total number of officers and men on these three ships is something like 600. The college at

Esquimalt is still carried on. Forty-five cadets entered for the last term, and while I do not yet know the results, the reputation that the graduates have had ever since the college was established in 1911 has been a most commendable one. The course is excellent and our young Canadian officers have done well in the British navy, in which we have something like 38. We are going to continue the college on the same footing that has been maintained since 1911. The dockyards at Esquimalt have been closed down for nearly a year. There has not been very much work and we therefore closed them and let all the workmen out except the necessary few to look after the stores, and the watchmen to look after the works. The Halifax dockyards are being operated on very much reduced time and our staff there is necessarily a great deal smaller than it has been. The vote we are asking for of $2,500,000 is for the operation and maintenance of the cruisers and two torpedo destroyers, two submarines, the college and the dockyards at Esquimalt and Halifax. This vote of $2,500,000 is no higher than the amount we spent in pre-war times. While before the war we spent $1,700,000, when we come to estimate the increased cost of oil, coal, wages, provisions, etc., I am happy to say that the cost to the country to-day is not one cent more than it was then, and instead of having an inefficient, obsolete and small navy we have a highly efficient fleet which has made a splendid impression at Halifax and at the Pacific coast.

Mr. CLARK (Red Deer): Would these ships be of any use if war unfortunately broke out now? The Niobe and the Rainbow were not when the last war broke out.

Mr. BALLANTYNE: The ships we have now are of the most modern type. The Aurora is armed with four and six-inch guns and also torpedoes and the destroyers are of the most modern type. We hope they will never be called upon to do anything in the way of active service, but if they are they can certainly take care of themselves.

Mr. CLARK (Red Deer): The minister says that a number of the cadets have gone into the Imperial fleet. That would almost look as if, up to now, we have not employed our own trained sailors on our own vessels. Has the minister a hope that in the near future he will be able to absorb the Canadian-trained young men in the Canadian navy, such as it is at the present time?

Mr. BALLANTYNE: As some of my learned friends would say, that is rather a leading question. It has been the custom of the Canadian Government since the Naval Service Act was passed in 1911 to send a certain number of graduates each year to the Imperial navy for training. They are paid, of course, by the Dominion of Canada. We have 38 there at present, and as vacancies occur we have always this service of trained Canadian officers in the home fleet upon which to draw. Of the 34 officers now on the Aurora and other ships, all are Canadians with the exception of four. The commander of the Patriot is a young officer of Ottawa named Beer and the commander of the Patrician is a Halifax man by the name of Jones. These officers are graduates of the Canadian Naval College who have passed through the British navy and are now on our ships.

Mr. CLARK (Red Deer): I thank the minister for his courtesy, and the otherwise full reply he has made; but no doubt because he failed to note one point he has not given me certain information I desire. I asked about the number of naval officers employed in the office in Ottawa, how many saw active service, and how many would be fit for active service in case of war.

Mr. BALLANTYNE: I regret I overlooked that point. We have six officers at headquarters, all of whom are either Royal Canadian Naval men or men from the British navy.

Mr. PEDLOW: In answer to the member for Red Deer the minister has given in detail the personnel of the crews of various vessels in the Canadian Navy. He has said nothing about the Sheerwater and the Algerine. Are they still in the service of the department? Will the minister also give some reason for the increase in the amount of this Estimate? Last year the amount was $2,000,000; for the current year it is $2,500,000. That is a large increase and I should have thought, in view of the decreased cost of commodities, the estimate would have been for less this year rather than more.

Mr. BALLANTYNE: The Sheerwater and the Algerine were not Canadian, but British ships. We never had to do with them. They were under our jurisdiction acting for the British Admiralty during the war and as soon as the war was over they went back. The member for Renfrew (Mr. Pedlow) says that the vote shows an increase of half a million dollars. My hon. friend will remember that when the

naval discussion took place last year I said that the amount required was $2,500,000, and later in the session, when I brought down the Supplementary Estimates, I said we would reduce that amount to $2,000,000 because we would not be able to get the ships from England until well on in the year. On that account we were able to afford to take half a million less; but I made it quite clear that if the ships had been out here all of last year we should want the $2,500,000. I therefore ask for that amount now.

Mr. PARDEE: The minister has stated that he does not know who compose the New Brunswick Rolling Mills Company. As the Minister of Customs (Mr. Wigmore) comes from that part of the country he might be able to tell us who are the shareholders and directors of the company, and what is their financial standing.

Mr. WIGMORE: I cannot give that information. I am perfectly satisfied, however, that they are able to carry on and pay whatever balance is due by them.

Mr PARDEE: What is the basis for your satisfaction?

Mr. WIGMORE: Well, they carry on a large business. They are a reputable firm and I am quite satisfied are able to pay their bills.

Mr. PARDEE: Has the minister any idea why they have not paid their monthly instalment?

Mr. WIGMORE: The price of iron has dropped in the meantime. I do not know anything about it further than that.

Mr. PEDLOW: I would like to know what action the Government has taken in the meantime. I understand the sale of the Niobe took place in the month of December last. What action has the Government taken to force this company to pay the balance of the price they agreed to pay?

Mr. BALLANTYNE: I cannot add anything more to what I have already stated, that the Naval Department promptly notified the Department of Justice. I will find out to-morrow just what 10 p.m. position the matter is in, and let my hon. friend know, but there is no doubt in my mind that the only reason why this firm want to get out of their contract is that the price of steel and brass has gone down—

Mr. BUREAU: Surely you do not call it a reputable firm?

[Mr. Ballantyne.]

Mr. BALLANTYNE:— but that does not let them out of the tender. As my hon. friend from Three Rivers knows, as long as a firm is financially good the Government are perfectly safe. It matters not to us whether the value of steel or brass goes down. Where a firm is financially sound, and our contract is good it is the simplest question of law to know that there is nothing to stop the Government from getting their money.

Mr. PEDLOW: I quite realize that but the fact remains that although this firm, or any other firm, might have been financially sound in the month of December last, owing to the changed conditions in the commercial world and the decrease in the price of materials that has taken place since, it might not be quite so sound to-day as it then was. I think the department would have been justified in taking prompt action to force payment. Perhaps the Minister of Justice will be able to tell us what action his department has taken, if any, at the instance of the Department of Marine.

Mr. DOHERTY: I think a moment's reflection will make my hon. friend realize that it is quite impossible for me to go round with a knowledge of what proceedings have been taken in the numerous cases that have been dealt with by the department. I shall be very happy to obtain the information for the hon. member, but I have not come here this evening in the position to give it to him.

Mr. JACOBS: If nothing has been done since last December in the matter of trying to force these people to take over this ship, there must be some reason for it. The Minister of Marine is a business man, and I am sure that if a matter of the kind were presented to him in his own personal affairs he would very soon find out the reason why nothing was done in a period of five or six months.

Mr. BALLANTYNE: I do not know why my hon. friend assumes that nothing has been done. I have stated a good many times, and I now state again, that the Naval Department acted promptly, and I have no reason to think that the Department of Justice did not also act promptly when the information was sent. But my colleague the Minister of Justice has a great many things to look after, and he cannot tell just now how many letters have been sent or the nature of the replies received. I would be very glad to supply my

hon. friend with that information to-morrow.

Mr. JACOBS: Perhaps I can tell the Minister of Marine what is happening. The question was asked in the House about three weeks ago, and we were then told that efforts of some kind or another were being made to get this company to see the error of its ways and take over the ship. Using a humane method, moral suasion, is just about as far as the department got, I think.

Mr. PEDLOW: My reason for asking the question was, that earlier in the session we had a similar discussion over another matter in connection with this department, the sale of an icebreaker. If my memory serves me rightly at the moment we were told this icebreaker was sold for a certain amount of money, but on that occasion notes were taken, which notes were endorsed.

Mr. BALLANTYNE: We are on the Naval Estimates now.

Mr. PEDLOW: I was explaining that my reason for asking the question was that we had a similar occurrence before, and in that case the department took notes which were endorsed.

Mr. BUREAU: The statement made by the Minister of Customs and the Minister of Marine that this company is a firm of high standing is not substantiated by the facts. A firm of high standing will not repudiate a debt because the price of the commodity purchased is going down. As I said just now, it leaves the door open to suspicion, and the suspicion which naturally comes to one's mind is that this firm, the New Brunswick Rolling Mills, depend on the fact that they may have some political pull perhaps to get them out of the hole and they prefer this to the judgment of a court. I want to put things as they are, and I repeat that is the impression that remains in one's mind when we view the transactions from the beginning up to the present time, and when we cannot learn anything about the assets of the New Brunswick Rolling Mills, what they are doing, or anything about them. We are told they are a good firm, that they are an honourable firm, but I say that prima facie the fact of repudiating a debt does not inure to the credit of any firm or any company, especially when the debt is repudiated after they have had the best of the transaction—that is getting all the steel they wanted when steel was high, and refusing to take the balance when the price went down.

Mr. CLARK (Red Deer): Where is the Stadacona now?

Mr. BALLANTYNE: The Stadacona is one of the fishery protection vessels, but is laid up at the present time because she is very costly to run, and the vote I am asking for to-night is not really sufficient to keep all the fishery protection vessels in service. We are laying up two on the Pacific coast and two on the Atlantic coast.

Mr. CLARK (Red Deer): The Stadacona is resting then?

Mr. BALLANTYNE: She is resting.

Mr. JACOBS: To revert to this Niobe transaction, I should like to ascertain from the minister why it was, when this New Brunswick firm failed to take over the boat, they did not offer her for sale again by tender as they did two or three times during the fall of 1920? The minister will remember that a certain client of mine made an offer, I think of $90,000, for that boat and we heard nothing about the fact that the boat was not taken over by the people who were fortunate enough to get her until Parliament met and the question was asked in the House.

Mr. BALLANTYNE: I will have to answer that question by putting a question to my hon. friend: If he owned a private house and that house was bought, and he got $8,000 for it, and another man came along and offered him $15,000—the sale being good and all the papers legally correct—would my hon. friend take the house over?

Mr. JACOBS: I think in the case of a falling market I would notify the party who had bought the boat that the boat would be sold at his cost and charge, and then sell it to the next highest bidder.

Mr. CLARK (Red Deer): Before the item goes through I would like to make a remark or two about this business. I have no desire to obstruct the minister's Estimates, but I took the position in the House last year, the minister will remember, that we might very well at the present time hold our hand, and I expressed the fear that the minister had made a mistake in taking these vessels from the British Admiralty at this time. I pointed out to him the gravity of the toboggan slide at the top end of which he had entered, and his Estimate has gone up by a cool half-million this year.

Mr. BALLANTYNE: Oh, no.

Mr. CLARK (Red Deer): I understood there was a $500,000 increase.

Mr. BALLANTYNE: Not a cent.

Mr. CLARK (Red Deer): I would be glad to have that explained.

Mr. BALLANTYNE: The hon. member for South Renfrew (Mr. Pedlow) asked that question a few moments ago. Last year I informed hon. gentlemen that the amount I desired voted for the Naval Service was two and a half million dollars. Later on in the session I informed the House that we could reduce that amount by half a million dollars, due to the fact that we were not going to get these ships out from England at as early a date as I had hoped we would. But I said then that if the ships had been out during the past fiscal year we would have required $2,500,000, and that we would require $2,500,000 for this year. The vote we are asking for this year is exactly the same as that for last year.

Mr. CLARK (Red Deer): That statement is quite satisfactory, and I am glad to be advised that there is no increase. But I cannot help feeling regret that at this particular time those ships did not stay in England. Then we would not have needed $2,500,000 for a year or two. We do not feel any loss from the Stadacona taking a rest. There is not much difference between the minister and myself on some points, anyhow, because all I say is the Government should have taken a rest in regard to this business for a few years. No sentiment expressed in the House this session has received warmer commendation from all quarters in this country than the sentiment expressed by my hon. friend from Marquette (Mr. Crerar) in his remarks in the debate on the Address that we might very well under the present circumstances of the world take a five years' naval holiday in Canada, and a considerable portion of a military holiday too. I know that defence is the first duty of the state, but I have argued on other occasions that when the time for defending the state came Canada was not lacking, she was there. And I am not at all sure that I have not misrepresented the Rainbow to-night, I am not at all sure that she did not do something at the beginning of the war, and if I have misrepresented her along that line I express my regret. But we were there as a nation, and we did wonders, and we did it all the better because we had not been spending too much money on military and naval establishments before. I only want to record my opinion that this is a melancholy business we have gone into. Here is a story tonight of scrap iron—the minister to all intents and purposes so far as the Rainbow and the Niobe are concerned is a dealer in scrap iron. And he has another vessel now taking the rest cure, but I do not think it will ever do her any good, because she is 26 years old, and she cost a great deal more money when she was going than I hope she will cost while she is resting. It is said we should not look a gift horse in the mouth. Well, I would not have looked at the animal at all, and I regret that these vessels were accepted. I repeat, it is a melancholy business in view of the financial position of the country. It is between him and the Minister of Finance, and I hope they will take the matter into their very serious consideration and see if they cannot keep this business well in check. It ought to be easy, as we are all going into the League of Nations. Every member I have no doubt has received notice, as I have, to attend a meeting on Tuesday next to consider Canada entering into the League of Nations. We have come out of a war of unparalleled magnitude in which we suffered terribly along with the other belligerent nations, and we were told all along that that war was to end war, but here we are again with a militant First Lord of the Admiralty with fire in his eye leading us on to this business of armaments. I can only express my regret that what I said to the minister last year has done no good, although he has had twelve months to reflect, and I can only hope that in the next twelve months—if he is so long in office—he will mend his ways and get some information that will lead him to substantially moderate this business.

Mr. BALLANTYNE: My hon. friend had his full share in the naval vote of $2,500,000, and all hon. gentlemen opposite also had their full share in it. I find no fault with them whatsoever for that. Canada under the Government of Sir Wilfrid Laurier decided to have a navy of its own. The Naval Service Act was passed in 1911, my hon. friend was a member of the Liberal party at that time, and the Government of the day decided that we would look after our own naval defence. Let me say again that I found no fault with the policy then, and I find no fault with it now. The Naval Service Act meant this. The Government of the day

said to the Home Government, "Take away your ships and no longer look after the dockyards at Halifax and Esquimalt. Canada will assume that responsibility." And that responsibility is on this Parliament to carry out the terms of the Naval Service Act, which my hon. friend had his full share in passing in 1911. The Niobe and the Rainbow were brought out from England with the approval of my hon. friend. Now he would have been perfectly satisfied had we continued with those two vessels.

Mr. CLARK (Red Deer): As training vessels.

Mr. BALLANTYNE: The vote would have been exactly the same as it is now, $2,500,000. We are carrying out the policy of the hon. member for Red Deer and of the Government of that day which he supported, and we are not increasing the expenditure one iota. What has this Government done? We have discharged 783 civilians and naval ratings that we did not need, we have sold those obsolete ships, and we have accepted modern ships as a free gift from the Mother Country. My hon. friend says it is a melancholy vote. Yet if anybody ought to appear in sackcloth and ashes it is my hon. friend from Red Deer. He helped to put the Naval Service Act on the statute book, he gave his consent that Canada was big enough and strong enough to take over the docks at Esquimalt, to support a naval college, and to bring out the Niobe and the Rainbow. The policy followed since the passing of the Naval Service Act must be the policy of Canada until such time as that Act is amended or repealed. My hon. friend took that responsibility; I think he took it rightly; but he cannot get out of it now by attempting to shift the responsibility on to me, although never at any time am I afraid to take my full share of that responsibility. Had we not accepted these ships from the Mother Country we would have had a disgracefully inefficient Naval Service, a service not worth one cent to Canada, and the expenditure would be just the same as we have now for a very efficient navy.

Mr. CLARK (Red Deer): I am sorry my hon. friend has made such a combative statement in response to the very peaceful speech on my part. I do not propose to follow his example; I am going to keep to the peaceful frame of mind in which I talked to my hon. friend before. If he has not had enough of war I have, and I will not be tempted into strife by his very combative mood. He said the dockyards were taken over by Canada. But when he was on his feet a few minutes ago did he not say that those dockyards were practically closed down and he was getting his repairs done by tender?

Mr. BALLANTYNE: No.

Mr. CLARK (Red Deer): What did my hon. friend say in his previous utterance about the dockyards?

Mr. BALLANTYNE: Under the terms of the Naval Service Act we have got to keep the dockyards in sufficient working order to repair any British admiralty ships that may require repairs. We have practically closed down the dockyard at Esquimalt, but we are keeping sufficient men there to attend to any needs either of a British naval ship or of one of our own ships. We are keeping the Halifax yard going with a very much reduced staff. In fact, both yards are being continued in a very moderate way.

Mr. CLARK (Red Deer): I cannot quite understand how a dock can be "practically closed down" and yet be "in sufficient working order" to do repairs. I am informed, it may be mistakenly, that repairs have been done by tender elsewhere, and that the dockyards are, as the minister says, practically closed down. If you have docks practically closed down, they are not fit to conduct business if language has any meaning. However, I will leave that point and pass on to the other portion of my hon. friend's argument. Now, I quite admit that he is pursuing a policy which was the acknowledged policy of a certain party in the country in 1911. He had had to train the party with which he is now associating up to the point at which the Liberal party had arrived at that period—if we are to have a naval policy at all it is evident that ten years have sufficed to teach something on this question to the party on the other side. But I did not want to labour that point. I did want to point out to my hon. friend that there is no inconsistency whatsoever in my having supported that policy at that time as the only possible and proper naval policy for Canada and in my saying, after the war, when another war in which we should be involved is to all human thinking considerably remote: Go easy with your naval policy. I am wholly in favour of Canada as a nation undertaking her own defence; there is no inconsistency whatever in that attitude on my part. But the minister is inconsistent in going full

steam ahead after a war just as he would have been going before the war—that is my answer to my hon. friend on that point. However, I do not want to be drawn into a controversy; I have made my protest, and I want to express my very grave fear that, unless he changes his politcal affiliations once more, it will not be the present Minister of Marine who will be dealing in the scrap iron but somebody else if we go on with this business. After all is said and done, Mr. Chairman, I would rather that the business of the Admiralty was confined to getting presents of vessels, scrapping them and selling them as old iron than that we should be in another war. I do not change my point of view, however, that we might very well have waited in the present circumstances, as I suggested last year, until an Imperial Conference should settle upon proper lines the question as to what each part of the Empire should do for the defence of the Empire.

Mr. McMASTER: I think the minister is to be congratulated upon having cut down the ratings for the navy to the extent that he has. But I feel that it was a great mistake to take these ships from Great Britain. It was done while Parliament was not sitting; it was done without consultation with the representatives of the people, and it puts us in the awkward and unpleasant position of appearing to be ungrateful for a free gift. I do think that the minister has placed the representatives of the people in an unfortunate position. Now, the minister has argued that the Liberal policy is responsible for the Laurier naval policy. I admit that most frankly. At that time the world was busy arming for what proved to be, alas, an awful conflict. We were told there was a great European power which was marching on and on and that at some time we would have to meet that power. Unfortunately the prophets of evil spoke truly. War did break out; the navy of that great power is to-day at the bottom of the North Sea, and for the time being, at least, that menace is no more. Under these circumstances would it not be the part of prudence to take a naval holiday? The desires and hopes and prayers of all men of good-will throughout the civilized world are centred upon the League of Nations. We are hopeful that through that body mankind will be able to develop a method of settling international disputes. Is it not, then, the height of folly to go on in the same way in regard to naval matters? Is it not unwise to contribute

[Mr. M. Clark.]

$200,000 to the expenses of the League of Nations and then spend ten times that amount on preparing something which, if the League of Nations is a success, will in all probability never be required? The Laurier naval policy was proposed when our national debt was but $350,000,000; to-day it is $2,350,000,000. The minister therefore would confer a great benefit on the country if he would turn the prows of these three ships eastward and allow the Canadian people to see the smoke ascending from their funnels as they made their way home to the land beyond the seas. We cannot afford this expenditure at this time. We should not spend one cent except for absolute necessities and this is not an absolute necessity. I can hardly trust that the minister will change his view, but I would like to register my emphatic protest against this expenditure.

Mr. PARDEE: The statement which the minister has given us with regard to the sale of these vessels is entirely unsatisfactory. He sells the Niobe and two submarines for $135,000; he gets $20,000 in cash, and he makes a contract for the payment of the balance in instalments. Before this item is passed I would like to know the names upon the contract; I would like to know who signed on behalf of the New Brunswick Rolling Mills. Well, the minister has handed over to the Department of Justice the matter of collecting the balance, the instalments due having not been paid. I say that the minister has not discharged his whole duty in simply turning over the collection of this debt to the Department of Justice. If the manager of a company turned over a debt of this kind to his solicitor he would follow it up from month to month and see what action was being taken in the matter and what results were being obtained. But did the minister say to the Department of Justice: We turned an account over to you in December or January. Have any payments been made? What are you doing with it? No payment is received in January, February, or in succeeding months; yet the minister does not say that he has done anything further. He evidently thinks that in handing the account over to the Justice Department he is relieved of all further responsibility. But the minister cannot so easily divest himself of responsibility. It was his bounden duty to-night to have shown us just what position that debt was in, to have stated the chances for recovery of it, to have told us how good the financial standing of the

company was—in short, to have given us all the information that a business manager would give to a business concern under similar circumstances. Instead of that, the minister gets up and says: "We are certain of collecting the money. I know this is a going concern, though I do not know what assets they have or what the personnel of the company is; I know nothing about it, but I know we are going to get the money." Did he consult his colleague the Minister of Customs before he made the sale? Did he telephone him and ask him if he knew the New Brunswick Rolling Mills? Did he ask if they were in good standing? The Minister of Customs says: "Yes, I know the company are there, but I know absolutely nothing about them." An ordinary business man making a $135,000 sale would have seen what his security was and how he was going to be paid. The Minister of Marine and Fisheries has not done anything of that kind; at least, if he has, has kept the information carefully concealed in his boots because he has not said anything about it.

Mr. McMASTER: He is at sea on it.

Mr. PARDEE: Yes. We are here tonight knowing nothing more than the man in the moon about the sale of the Niobe and the submarines except that $135,000 was the price. We know that there is a default. We do not know how great the debt is. We do not know how the debtor stands financially. It looks, as my hon. friend (Mr. Bureau) has said, as if the Dominion had been stuck for a very large sum in this matter. We shall be told: "We have the Niobe yet." That is true; but prices have fallen and we could not get for her now what we could have got before, and as a consequence the country is the loser.

Mr. LAPOINTE: The minister gave the committee a piece of history which was somewhat incomplete. I would not like to supplement it in any way except to point out one feature in connection with it. When the naval law was adopted in 1910, the hon. member for King's (Sir Robert Borden) who afterwards became Prime Minister of Canada, the present Prime Minister (Mr. Meighen) and all the other hon. gentlemen with whom my hon. friend is now associated, voted against that law and in favour of an amendment offered by the late Mr. Monk, that no naval policy should be adopted by Canada without being first approved by the Canadian people. This issue was fought during the campaign of 1911. As a matter of fact in my province, it was the only issue discussed on the platforms. Twenty-six members were elected in the province of Quebec against that law and after the elections, when those people got together, after having accomplished what they had in view, they pledged themselves in Parliament that no permanent naval policy should be entered into by this country without being first approved by the Canadian people. The Prime Minister of that day took that pledge; the then Minister of Marine and Fisheries, the Hon. Mr. Hazen, stated it emphatically on the floor of the House of Commons, and I ask my hon. friends when the Canadian people have since then approved the present policy of the Government as regards the navy. As the hon member for Brome (Mr. McMaster) stated, the Minister of Marine and Fisheries and the Government accepted those ships as part of their permanent policy, without asking the approval, not only of the Canadian people, but of the Canadian Parliament. This was done by Order in Council, of course, under the general practice of this Government at that time. Parliament was not consulted, and when my hon. friend came to Parliament with a proposed appropriation, we were faced by an accomplished fact. The ships had been accepted, and we had to vote the money although we opposed the vote at that time. I was opposed to that vote being accepted; I am still opposed to it, for many reasons, one of them being, that there is no settled naval policy at the present time for the British Dominions. There is going to be an Imperial Conference next year. There is going to be a meeting of Prime Ministers this year. The name has been changed for the conference that takes place in July, and conditions are such that our Prime Minister stated the other day, or at least intimated in some way, that he would be opposed to the consideration of any naval policy at that conference next summer. Why should we not wait until the status of the Dominions is fixed, as we are told it is going to be at this Imperial Conference next year, before accepting, or adopting, any policy as regards naval defence? Conditions are altogether changed as the hon. member for Brome stated. In 1910, the country was prosperous; we had money; we had no deficits, we were not paying the rate of interest that we are paying now on our loans. We had not two billion dollars of

net debt as we have at the present time. Conditions are altogether changed, and as the hon. member for Brome and the hon. member for Red Deer (Mr. Clark) stated, we are paying an annual contribution to the League of Nations. We are members of that league. The last war was fought for the purpose of ending all wars. We should at least follow the example of those nations which are decreasing their armaments instead of increasing ours or entering into any new scheme. Last year there was in the Estimates a vote of $300,000 for the maintenance of the Canadian navy. That was the usual vote as in preceding years.

Mr. BALLANTYNE: No.

Mr. LAPOINTE: There were two votes yast year: Naval Service, to provide for the maintenance of the Royal Canadian Navy, $300,000, and then in the Supplementary Estimates, there was the other vote: Further amount required, $5,700,000.

Mr. BALLANTYNE: The hon. member will recall that I explained, when I asked for the $300,000 appropriation, that that was only part of the naval expenditure and that in the Supplementary Estimates I would bring down a further amount, so that he has to consider both of them together.

Mr. LAPOINTE: Yes, but this $300,000 vote was practically the same as the vote of preceding years during the war.

Mr. BALLANTYNE: No.

Mr. LAPOINTE: What was the vote in 1919?

Mr. BALLANTYNE: I have the amounts for all the years here. Before this is turned up, I might say that the expenditure was $1,700,000 in 1910-11. Then when we got into the war, of course, the expenditure ran away up, and it would not be a fair comparison at all.

Mr. LAPOINTE: The minister cannot tell me what the expenditure was in 1919.

Mr. BALLANTYNE: I will tell my hon. friend just as soon as my deputy arrives. He has gone upstairs for a moment.

Mr. GORDON: Perhaps the deputy would ascertain the names of this rolling mill firm while he is up stairs, and the minister could give us the information to-night, and also any information he has as to the firm's solvency.

Mr. BALLANTYNE: I think my hon. friend will have to take the word of the Government. I have had a very long experience in business, and I am sure my hon. friend has also had a very considerable business experience. He knows that before an ordinary business concern give credit, they look up the reports of one of the mercantile agencies, either Dun's or Bradstreet's, and if the reports of these agencies show that the firm's credit is good, business men do not ask the firm what their assets and liabilities are. They largely go by what their salesmen say, and also by the financial reports from these agencies. I took all these precautions at the time, but in these days, of course, when business is declining rapidly, a firm that may have been good a year ago may not be good now. From all I can learn, however, the firm is good. My hon. friend will have to take my word for it that at the time we made all necessary inquiries as to the firm's standing, and I was satisfied that they were good. The Government have to take financial risks, of course, just the same as any other concern.

Mr. GORDON: Dun's and Bradstreet's reports show in detail what the concern is, what its products are, what its bonded indebtedness is, and all the details that we would like to have to-night; so, if this information is available on file, I do not think it would be a difficult matter for the minister to give it to the committee to-night, instead of saying that he got the information but does not remember now what it was.

Mr. BALLANTYNE: Oh yes, I do.

Mr. GORDON: Except that the firm was good. Well, it turns out that they are not good. If they were good, they would not be willing to have their reputation risked by being sued by the Government of Canada for this liability. They could not possibly stand that if they were good, because it would wreck the reputation of any solvent concern. If they were good they would not dare to assume the risk of having their credit ruined by refusing to pay a debt which the minister says is now due and owing.

In addition to that, as was pointed out by another hon. member, as soon as the responsibility was shifted from the Naval Department to the Justice Department, no further inquiries were made by the Naval Department to ascertain what was being done or whether the Justice Department had left the matter in the hands of some other official who was also taking a rest cure. This liability has been left standing for months, nothing has been

done, and we are not able to ascertain now whether this concern is solvent or not. Only the hope is expressed that they will pay the debt, and we are told that the Justice Department has been applying moral suasion in different doses for the last few months.

Mr. BALLANTYNE: I can now give my hon. friend from Quebec East (Mr. Lapointe) the information he asked for. The naval expenditure for the year 1910-1911 was $1,719,017; 1911-1912, $1,233,456; 1912-1913, $1,085,660. Then we got into the war years, and the expenditures were very large. If my hon. friend wants the figures for those years, I can give them.

Mr. LAPOINTE: No.

Mr. BALLANTYNE: There were small expenditures running up to about $300,000 or $400,000 for the upkeep of the Naval College and thing of that kind, but millions were spent which were charged to the War Appropriation.

Mr. EULER: I would judge that in the ordinary course of business, when this firm failed to make their payments as they fell due, the department would get into correspondence with them, and at least make some inquiry as to why they did not pay. Has the department done that, and if so, what answer did this firm make? Did they question the validity of the contract in any way?

Mr. BALLANTYNE: Immediately they failed to make their first payment under the contract, my department wrote them, and followed the matter up for a considerable time. We did not get any satisfactory answer from the New Brunswick Rolling Mills at all; so, after following the matter up for a reasonable time, we turned it over to the Justice Department, and told them to take proceedings against the firm.

Mr. EULER: My hon. friend says that he did not receive any satisfactory answer. I presume that he received some sort of answer. What answer did they make?

Mr. BALLANTYNE: I cannot recall the exact phraseology now, but they were trying to get out of the contract owing to the market price of steel and brass having gone down very considerably.

Mr. EULER: Is that the only reason they advance?

Mr. BALLANTYNE: That is all.

Mr. JACOBS: They did not advance that as a reason, did they?

Mr. BALLANTYNE: They were trying to get out of the contract. They were trying to work the Naval Department to see if we were easy and would let them out of the contract, which we certainly will not do.

Mr. McKENZIE: What was the nature of the instructions which the minister gave to the Justice Department? Were the instructions to sue for an instalment or for the whole amount? Was there any provision in the contract that the full amount would fall due if default was made on one instalment?

Mr. BALLANTYNE: I have no knowledge of law, but I should think that the only proceedings which the Justice Department could take against the firm would be to insist upon payments as they became due under the contract.

Mr. McKENZIE: It is a very common provision in a contract of this kind, that if default is made in payment of one instalment the whole amount becomes due at once. I simply want to know if the minister had that provision in this contract?

Mr. EULER: I would suggest to the minister, if it can readily be done, that this correspondence with the firm be placed before the committee.

Mr. BALLANTYNE: I have no objection at all.

Mr. JACOBS: Why did not the department insist that cash should be paid for this boat, instead of selling it on the instalment plan.

Mr. BALLANTYNE: I know my hon. friend did the best he could for his friends, and it may turn out that it would have been better had the department accepted the next lowest bid for cash, but as there was such a difference in the tenders I made the best deal that I could with this concern, after satisfying myself that they were financially good. I do not think I would have been justified in turning their bid down and accepting another bid some $25,000 lower.

Mr. McKENZIE: I asked the minister a question, but he did not answer me. I want to know what instructions he gave to the Department of Justice. Were the instructions to sue for $10,000 or for the whole amount? Has the minister received any report from the Justice Department on the contract?

Mr. BALLANTYNE: I merely sent the tender to the Justice Department and ad-

vised them of the steps we had taken, quite unsuccessfully, to get the firm to meet their payments. A layman like myself would not presume to suggest to my colleague what legal steps he should take.

Mr. McKENZIE: I must remind the minister that twenty minutes ago he told us in the most positive way, in a way that no lawyer would dare to do, that the contract was absolutely good, perfectly sound, and enforceable in every particular. Now, when it suits him to say that he does not know anything about law, he tells us that he does not know whether the contract is good or not. The minister ought to be able to tell us what the terms of the contract were. I do not think that the tender was ever handed over to the Justice Department. The minister would naturally hand over what was finally consummated in the shape of a contract and which I presume is in writing. The preliminary communings that took place before the final contract do not cut any ice; the contract must speak for itself. The minister must surely have contemplated some discussion of this kind to-night and should have had the contract here. It would not take long for him to get it and we should like to see it. We want to know whose names are on it. It has been suggested to-night that some favoritism has been shown in this matter. Three or four persons tendered and all except one said that they would pay cash in full. This concern is not paying cash and some inside arrangements seem to have been made to favour them. They fell down on their contract altogether and yet are given five or six months' leeway without anything being done. That looks like favouritism. At all events it is what the minister would do for his best friend if he could do anything at all for him. He would say to his very best friend, political or otherwise: "I will turn down the cash tenders of the other people and take advantage of the fact that yours is a little larger, and I will give you the best terms possible and deliver the property to you. If you do fail in your payments I will give you all the time you want and go through the camouflage of handing the matter over to the Justice Department. But you need not be afraid of this; nothing will be done." That is what the minister would do for me if I were his very best friend. It remains for him to show that no favouritism characterized this transaction, but that on the contrary, it was a hard and fast business deal. He can make this point clear by producing the contract and showing that everything has been open and above board and done in good business shape. And he should do that before the item passes. We ought to have the contract, because this is something that the minister might very well have anticipated.

Mr. BALLANTYNE: The hon. member will certainly see the contract to-morrow. I do not find any fault with him for imagining anything he likes. The transaction was a perfectly sound and legitimate business transaction and was perfectly above board. If I had accepted the lowest cash bid of $88,000 and someone had asked the hon. member to inquire of me why I had not accepted the offer of the St. John Rolling Mills at $135,000 even if the terms were longer, I could understand that the hon. member might possibly have something to say. But the whole criticism to-night is directed at the department because we did not take the lower tender, for the reason that it was cash, notwithstanding that it was $30,000 less. Possibly it might have been better had we taken it, although I do not hold that opinion. But everything was done in a proper way and I shall have no hesitation in bringing down all the correspondence, laying all the tenders on the Table, and producing a copy of the contract or the original itself. The Department of Justice was furnished with the contract which we entered into, and I have absolutely nothing to hold back.

Mr. McKENZIE: Personally I do not propose to hold any post mortem upon this item. If we are to have any evidence on the matter at all we should have it before we pass the item. The minister cannot claim any credit for getting $135,000 instead of $112,000, unless he can show us that he is dealing with reliable people. To put up a straw company, such as this appears to be, which is not able to meet its responsibilities, which squeals because the price of steel has gone down, and which refuses to pay, is something for which the minister cannot take credit. There is no credit at all to him in the fact that he turned down a cash offer of $112,000 and accepted a vague promise of $135,000.

Mr. JACOBS: The minister had an offer of $112,000 from A. Garson & Company of St. John for the Niobe alone, and he threw in two torpedo boats, the CC-1 and the CC-2 and got $135,000.

Mr. BALLANTYNE: I did not throw them in at all.

Mr. JACOBS: They were thrown in.

Mr. BALLANTYNE: No, they were not. Let us be perfectly fair to one another; I am fair to hon. members and they must be fair to me. I gave all the tenders that my department received for the submarines and I also gave all the tenders that we received for the Niobe. The highest third bid for the Niobe was $112,000, but we actually sold her for $119,000, apart from the submarines altogether. As regards the submarines we received from the St. John Rolling Mills Company the highest price offered by any firm. There is no case of throwing in the submarines at all. It was a straight case of calling for public tenders and giving the contract to the highest bidder. I know very well that these firms that tendered and did not get the contract were sorry; whether or not they are sorry now I do not know. Possibly they are behind all this questioning at the present time. What position should I be in as Minister of Naval Service if after calling for tenders three times I repudiated the highest tender and gave the contract to another? I should not like to appear before the members of the committee under such circumstances.

Mr. JACOBS: The offer of $112,000 from Garson & Company was a cash offer, while the offer from the New Brunswick Rolling Mills of $119,000 was credit. That is the distinction.

Mr. BALLANTYNE: My hon. friend is getting on to ground that he is not familiar with. It is hardly fair for me to express any adverse opinions regarding any firms that tendered, but it might interest my hon. friend to know that, as regards the firm that tendered $112,000, their cheque was returned to us as being no good.

Mr. LAPOINTE: The minister says that this is a good company. He tells us that there is no doubt about its being solvent, and he is proud of the business deal he has put through. If that is so, surely the Minister of Customs can give us the names of the president and the general manager of the company. St. John is not so large a city. I know that if it were a Quebec company, and if the firm were a reliable one, as the minister says this is, I could give the names of the president and general manager. There is something queer about the whole matter. Surely my hon. friend can give us these names; and we are entitled to see the contract.

Mr. WIGMORE: I have not been in St. John since Christmas. I know that at that time this firm were doing a good business. They were working day and night running a rolling mill formerly owned by the St. John Rolling Mill Company. The firm in question took over the St. John Rolling Mill and called it the New Brunswick Rolling Mill and since that time they have been rolling iron there. I know nothing about the business since January, but I can say that they were doing a good business at that time and that they are perfectly able to carry on and pay any indebtedness that they owe. Personally I think this contract is a good one from the Government's standpoint. If I understand the figures correctly, this company agreed to pay $135,000 for the Niobe and the two submarines.

Mr. PARDEE: But they did not pay it.

Mr. WIGMORE: The highest price received for the submarines was $6,000 each, making $12,000 in all. Take that from the $135,000. The minister tells me that the amount for the Niobe was $119,000. Now, the manager of the firm is H. J. Garson and the secretary is a man named S. S. Elliot. Both are respectable citizens and good business men of the city of St. John, and I believe they are carrying on a satisfactory business.

Mr. JACOBS: Might I point out to the minister that this very Garson is the man whose cheque was returned?

Mr. BALLANTYNE: Not the same.

Mr. WIGMORE: He is another Garson altogether.

Mr. JACOBS: A Garson of another colour.

Mr. EULER: I do not desire to question the frankness of the statement by the minister in any way, but it does seem to me almost incredible that a firm that is presumably composed of reputable business men would attempt to escape a straight unqualified obligation.

Mr. BALLANTYNE: No, it is very common.

Mr. EULER: It is common?

Mr. BALLANTYNE: Common in business.

Mr. EULER: I am sorry that has been the business experience of the minister. I should say that reputable men
11 p.m. do not do that sort of thing. But what I was leading up to is this: There is just the suspicion of a feeling in my mind that the tender made by

that firm had in it some sort of qualifying clause, and it is on the strength of that possibly they are refusing to pay.

Mr. BALLANTYNE: I can certainly say most positively to my hon. friend that there is no qualifying clause in it at all, and from over thirty years experience in business I can say that not all firms by any means but very often very good reliable firms, when the market goes against them, do try to get out of contracts. It has happened to me many a time.

Mr. RINFRET: Do they merely default in payment, or do they allege any reason for not making payment?

Mr. BALLANTYNE: Default only.

Mr. JACOBS: Have they taken delivery of the submarines?

Mr. BALLANTYNE: Yes.

Mr. CAHILL: I understood the minister to say that he had an offer of $100,500 from an Ottawa firm, and an offer of $112,000 from another firm and that those offers were on a cash basis?

Mr. BALLANTYNE: Yes.

Mr. CAHILL: I would like to ask the minister if he offered to sell the Niobe to those two firms on the terms basis which he made with the St. John company?

Mr. BALLANTYNE: The firm that quoted $112,000 were not financially good, as I have already stated. The Ottawa firm that made the offer of $100,500 were good as far as I could tell at the time but the difference of $19,000 between that offer and the one accepted was so great that I did not think any good purpose would be served by going to them, after I had asked them to bid on three different occasions, and saying "Will you bid a fourth time provided I do not ask you to pay cash?"

Mr. CAHILL: How did the minister arrive at the conclusion that it was good business to go to some other person with an offer after he had made three attempts to sell for cash? He had attempted to sell for cash but could not get a satisfactory price and he then accepted an offer on terms.

Mr. BALLANTYNE: The only mistake I made, was calling for tenders three times. I should only have called for tenders once. I should have accepted the price of $75,000 and we never would have heard a word about it. The mistake I made, in my earnestness, was trying to get too much money for these ships. If I call for tenders again, after the experience I am having here to-night, I will award the contract to the highest bidder; I will try no more dickering.

Mr. CAHILL: That is one good reason why my hon. friend should not be in the position he is in, if he is going to get peeved because he is criticized for making a bad bargain and say that in future he is going to take anything he can get from the first bidder. If that is my hon. friend's intention he is in the wrong place when he is in a public office in this country; and it would certainly be in the public interest if he were to desist from making any more contracts for Canada.

Mr. BALLANTYNE: He will keep on.

Mr. CAHILL: He should attend to his private business and the country can get along very well without him if that is the attitude he is going to adopt. The minister called for tenders three times and in each case a greater amount was offered than in the case of the previous tenders. Why did he not call for tenders a fourth time when, perhaps, even more money would have been offered? But when he desisted from doing that and started to deal privately with this firm, why did he not deal privately with the other people who had tendered on a different basis? He says the man who offered him $112,000 was no good. Well, we have had evidence to-night that the company whose offer was accepted is not very good. Had the minister accepted the tender of $100,500 he would have been much better off. I cannot understand why he did not ask that firm for a better price provided he gave them time.

Mr. McMASTER: The minister fails altogether to appreciate whatever criticism has been directed against him from this side if he imagines that we find fault with him for trying to get the best possible price. He is to be congratulated upon the fact that he endeavoured to get the best possible price. As I see it the only grounds for criticism are these: First, that having asked for cash prices he made a contract with one of the tenderers for a price which was partly in cash and partly on time without giving the other tenderers the same opportunity. That, it seems to me, may have operated unfairly. I do not say it did operate unfairly, but there was a possibility of unfairness there. The second ground for criticism is that having turned this collection over to the Department of Jus-

tice, he has not followed it up as I think a business man should have followed up the collection of such a very substantial amount.

Mr. BALLANTYNE: What makes my hon. friend think I did not follow it up?

Mr. McMASTER: Because had the minister followed it up he would have told us that he had done so, that he had asked the Minister of Justice, or the Department of Justice to give him information, and he would have had some information to give to the committee. Now, we are almost in the month of June. I understand that the payment in regard to this contract was to be so much in cash and then instalments of $10,000 a month, beginning with January 1. Well, there are the instalments for January, February, March, April and May —five instalments of $10,000 each, or $50,000 in all—now overdue. No doubt the minister has a great deal to do, but it does seem to me a fair ground for respectful criticism that he is not in the position to tell us: "The fault does not lie with me. I have month by month inquired from the Department of Justice to whom I turned over the collection of this amount, and they tell me they have done such and such a thing." He ought to be able to tell us that a writ has been issued or the reason why a writ has not been issued.

Mr. BALLANTYNE: I think my hon. friend is quite fair in that. I have repeatedly, through my deputy, asked how the matter stood with the Department of Justice. The department replied that they had the matter in hand, and they were corresponding with the firm, and so on. No later than this morning when my deputy was in my office I told him again to go personally and see the Justice Department, and find out if a writ had actually been served against the company. I did not forget the matter at all. We have been doing the very best that we could, and I am quite sure that my colleague the Minister of Justice is exercising his usual good judgment. You do not sue a responsible party right off. As a rule I understand that lawyers and the Justice Department first write to try and obtain a settlement, and if they fail they issue a writ.

Mr. McMASTER: That is quite right. I do not want to labour the point too much, but it seems to me that when $10,000 falls due at the beginning of January, and another $10,000 falls due at the beginning of February, and another $10,000 falls due at the beginning of March, and another $10,000 falls due at the beginning of April, and still another $10,000 falls due at the beginning of May, letter writing apparently was not successful, and some stronger method should have been resorted to. If the Minister of Marine has followed this up from month to month I suppose he is pretty well discharged from blame; the blame rests upon another department of the Government.

Mr. COPP: I regret exceedingly, Sir, that the reputation of a firm in the city of St. John, apparently of very high standing in the opinion of the Minister of Marine as well as of the Minister of Customs, has been brought into question in this discussion, and it does seem to me that we should get some information in defence of this company. I do not happen to know the directorate of the St. John Rolling Mills Limited, but my hon. friend the Minister of Customs, who has been a resident of that city for many years, and is more or less intimately acquainted with local conditions, must, I am sure, have very good knowledge of the personnel of this company. I have no doubt that in the very strong efforts made by my hon. friend the Minister of Marine to collect this money he must have conferred not only with the Minister of Customs, but also with the Minister of Public Works in regard to this company, and those hon. gentlemen, who represent the Maritime Provinces in the Cabinet, no doubt, have general, if not in detail, information which would be of very great interest to this committee and would be of value to the business reputation of the company in question; and, if I may be permitted to say so to my hon. friend the Minister of Customs, I think it is due to that company that he should give the committee such information in regard to it. If the company is composed of men of strong financial standing and acknowledged business integrity there can be no reason why my hon. friend should not disclose its personnel to this committee, as if they are men of that type the delay in payment would not amount to very much. But inasmuch as they have been in default since the first of January, 1921, the transaction naturally arouses suspicion in the minds of hon. gentlemen, particularly of those on this side of the House. So far as I know in a general way, the St. John Rolling Mills Company is a reputable business concern, and I would be very sorry to see it questioned without some very good

reason. The minister says he has a hard and fast contract with the firm, and it does seem to me there must be good grounds why they are not living up to the terms of that contract. He says that that contract was entered into openly and above-board. If that is so, I appeal to my hon. friend the Minister of Customs to inform the committee if he knows of any reason why this company is defaulting on that contract. I have no brief for the St. John Rolling Mills Company, but I do say that when the business methods of this or any other company are questioned in this House, and they have any defence to make, it should be given to the committee.

Some hon. MEMBERS: Carried.

Mr. LAPOINTE: There is perhaps a circumstance which makes it most imperative for both my hon. friends the Minister of Marine and the Minister of Customs to give this committee the fullest information possible concerning those tenders and the contract which was subsequently awarded. There was an election in the city of St. John in September, 1920, and it is certainly a coincidence—at least some people may think it is a coincidence—that the contract was granted in such a peculiar way, that only part of the amount of the tender was accepted by the department; and that subsequently the company failed to meet the five instalments of the balance as they became due. I think under the circumstances my hon. friends should give all the information they possibly can and put the matter fairly before the committee and before the country.

Some hon. MEMBERS: Carried.

Mr. RINFRET: I have a few remarks to make on this item, but I do not think it would be fair to mix the two questions as we have already mixed them somewhat to-night. There is, first, this contract for the sale of the Niobe and the submarines; and, second, the vote for the naval service proper. These two questions have been interwoven in such a way that confusion has resulted. I think we should clear up the sale of the Niobe first, but I ask that this item be not carried before we have a chance to express our views on it.

Mr. BALLANTYNE: My hon. friend is quite right, the vote before the committee is for $2,500,000 for the naval service. While the sale of the Niobe has something to do with naval affairs, it has absolutely nothing to do with this vote. I am asking the committee to give their approval to the vote of $2,500,000, into which the Niobe does not enter at all. I will lay on the Table to-morrow all tenders and all the correspondence that we have had with this concern, and also a copy of the contract. I submit to hon. members that the sale of the Niobe has nothing whatever to do with this vote of $2,500,000.

Mr. RINFRET: The minister did not understand me rightly. He is asking for $2,500,000 for ships which have been accepted to replace the Niobe and we are perfectly in order in discussing the Niobe first.

Mr. BALLANTYNE: If my hon. friend will allow me, I am not asking for $2,500,000 to purchase ships. I am asking for that amount to carry on the naval service of Canada, to maintain our docks at Halifax and Esquimalt, to maintain the naval college, and for the upkeep of our ships. It is quite in order to ask questions about the naval force when the vote is before the House, but the Niobe has nothing to do with this vote.

Mr. RINFRET: It is perfectly proper that we should deal with the Niobe transaction because this item covers the whole of the expenses of the department. The Chairman was asking whether the item should carry and I simply wanted to point out that I was refraining from offering any remarks on the naval service at this stage because I thought we might first clear up the Niobe deal.

Mr. CURRIE: Mr. Chairman, I submit that nothing in connection with the sale of the Niobe is involved in this item, and I would like a ruling whether the discussion with regard to the Niobe is in order.

Mr. BUREAU: With regard to the point of order, I submit that we are asked to vote an amount of $2,500,000 to provide for the maintenance of the Royal Canadian Navy, and that under it we are entitled to put all sorts of questions relating to the naval service. The Niobe is one of the ships that has been replaced by the new ships and we are entitled to know what has been done with the old ones, under what conditions they have been disposed of, and all details with regard to their sale. The sale of these ships involves an asset of the department, and that is connected with administration; therefore we are entitled to all information concerning them. Moreover, the question with regard to the Niobe was raised not by us, but by an hon.

gentleman on the other side, and very properly so; he deserves credit for bringing the matter to the attention of the committee. My contention is that if we are not satisfied with the administration of the naval service we are entitled to criticise this amount, and we would be justified in asking for a reduction of the vote if we thought the affairs of the department had not been properly conducted. I think the amount of the vote, $2,500,000 is quite sufficient to justify an inquiry on the part of members of the committee into the whole administration of this service.

Mr. JACOBS: I would also point out that if this $100,000 had been received the minister would be asking now for a vote of $2,400,000 instead of $2,500,000.

Mr. BALLANTYNE: Oh, no.

Mr. ARCHAMBAULT: I concur in the remarks of the hon. member for Three Rivers and the hon. member for George Etienne Cartier. Surely this House has the right to discuss a deal involving the sale of the Niobe to this firm. One very strong reason why we should be enabled to discuss it now is the fact that there is no other item in the Estimates under which the discussion could take place.

Mr. CLARK (Red Deer): Speaking to the point of order, I submit that it surely is elementary that if a minister had so ill-managed the affairs of the Naval Department and that fact were clearly brought to light, it would have an important bearing on the intelligence of hon. members on this side as to how far they should vote any more money to be spent by a minister who is making these bad sales.

The CHAIRMAN: The point of order has been raised by the hon. member for North Simcoe (Mr. Currie) that the discussion of the sale of the cruiser Niobe is not in order on item 197, to provide for the maintenance of the Royal Canadian Navy, $2,500,000. During the time that I have occupied the Chair I have always endeavoured to keep the discussion strictly relevant to the item under consideration. I have, however, always observed the rule that all matters pertaining to all departments should be discussed in Committee of Supply if hon. members so desired, but that a discussion was out of order when there was in the Estimates another item upon which that discussion could with more relevancy and more propriety take place. I have looked over the Estimates and I find there is no item under which the sale of the cruiser Niobe could be discussed so relevantly and so properly as under the present item. This is the only item in the Estimates concerning the administration and maintenance of the Royal Canadian Navy. The sale of a battleship belonging to the Dominion Government is certainly a matter which can be inquired into by this Committee, and I therefore rule that the discussion is in order.

Mr. COPP: I am not quite satisfied that the Minister of Customs really wants to do such injustice to his friends as not to give this information to the Committee. From what has been said by the Minister of Marine, if this company is in such good financial standing as we hope it is and as I am bound to say I always understood it to be, it should meet its obligation under the contract. The Minister of Customs says in a general way that they are a firm of good financial standing in the community, and if that is so I cannot understand why they have defaulted in their payments. The Minister of Marine has made a very strong insinuation with regard to the business integrity of that firm, because he says that the only reason for their trying to get out of their contract is that the iron and brass and other materials in these vessels have fallen in price. Now, that is a statement made in this House, Mr. Chairman, and to my mind it affects very seriously the standing of that company. As I said a moment ago, I hold no brief for the company, but I do say that the minister should place before the committee any information he has in regard to the matter so that we may know just how to deal with it. If the company is strong and responsible financially, there is no reason that I can see why they should default upon their payments. They have defaulted now for five months and practically into six months. That is $60,000 that they are in default or will be in a few days under this contract. As I say, I have some pride in my province, and I regret exceedingly that the integrity, honesty and fair dealing of this company is brought into question by the very fact of the silence that has been practised by the Minister of Customs and Inland Revenue (Mr. Wigmore), who, I am sure, as a business man and having done business in the city of St. John for many years, must have the information as regards this company. I again appeal to him, in defence of the honour of the corporation of the city that he represents and the province that we

both represent, that he give to the committee that reasonable information upon which we can base an opinion in regard to this matter and see if we cannot shorten this debate and get along with the business as well as have the reputation of this corporation cleared up before this committee by my hon. friend.

Mr. WIGMORE: I do not see what more I can say than I have said. I have stated before that, in my opinion, this company is thoroughly reliable. I know that the president or manager of this concern owns a good deal of property in St. John city.

Mr. COPP: Will my hon. friend give his name?

Mr. WIGMORE: I gave the name before—H. J. Garson. I do not know what more information I can give. In my opinion this firm is absolutely solvent, and I do not know anything different from that. I have never gone into the bank to inquire into their financial condition, but I know that the president of this company owns a good deal of property in St. John city.

Mr. ARCHAMBAULT: In his own name or in the name of the company?

Mr. WIGMORE: In his own name, and I know that the property which they own there, the New Brunswick Rolling Mills is a very valuable property. So far as I know, they own it. I have never made inquiry to find out whether there is anything against it or not. I am absolutely fair to the House when I make that statement.

Mr. PARDEE: Are the New Brunswick Rolling Mills still in operation?

Mr. WIGMORE: So far as I know they are still in operation. The last time I was in St. John was at the New Year. I know that things are quiet all over. I do not know the condition of the New Brunswick Rolling Mills at the present time, but I know they have been carrying on a very successful business during the past two or three years.

Mr. COPP: Has my hon. friend, being interested as a citizen of St. John and a member of the Government in getting this matter cleared up, had any communications, correspondence or personal interviews with this firm, during the course of this trouble that has been going on for five months, to see what reason there is for this company delaying payment?

[Mr. Copp.]

Mr. WIGMORE: I do not know of any reason why the company is delaying payment. Only, as I said before—the hon. gentleman was not in the House, I think, when I made the statement before—

Mr. COPP: I apologize then.

Mr. WIGMORE: The only reason I could give is the same reason why many other firms are trying to cancel their contracts not only in this business but in every other business, namely, because prices have dropped materially. I do not know of any other reason why they should not carry out their contract.

Mr. BUREAU: Does the minister base his opinion as to the solvency and reliability of this company upon the fact that the president owns in his own name in the city of St. John a good deal of valuable property?

Mr. WIGMORE: I said besides that that the property that they have there in the situation in which it is, is very valuable at the present time even with the reduced value of real estate to-day. The property is on the line of the Canadian Pacific, and it is in a very valuable position in St. John as an industrial site of any kind.

Mr. DuTREMBLAY: Will the minister of Marine and Fisheries let us have the information that the department obtained from the mercantile marine agency before they made the contract with this company?

Mr. BALLANTYNE: I am glad to tell my hon. friend that all the information which I could gather at the time was perfectly favourable in regard to the financial condition of the company. I have not said to-night, and I do not say now that this company is not financially good. Hon. gentlemen opposite are hinting and almost saying that the company is bankrupt; I have not said so.

Mr. McKENZIE: One of the strongest evidences of bankruptcy is failure to pay your bill. Any person who refuses to pay his honest debt cannot complain if somebody says that he is insolvent. The company must not be very sensitive on that point. Has the minister the Order in Council which was passed closing this transaction with this company? That might give us some information as to what took place in the transaction. I have never been a minister, and the strong possibilities are that I never shall be; but I understand that a minister putting through a contract reports to council the facts of

the case, and that an Order in Council is passed accepting the contract. Perhaps the minister could give us a copy of the report that he made to council on this transaction and the order that was passed at the time. That would be a very valuable record if the minister has it.

Mr. BALLANTYNE: I will place on the table every tender that we got, the first, the second and the third time, all the correspondence that has taken place, a copy of the contract, a copy of the Order in Council. I shall be only too happy to do that. There is absolutely nothing wrong with this transaction. And having promised to do that, and as we are all trying to prorogue at as early a date as possible, I hope hon. members will agree with me that, after spending two hours and 35 minutes on this and saying practically nothing at all about the vote of $2,500,000, perhaps we have spent a sufficient time on it. I will put all the information on the table to-morrow. I will do more than that; I will hold one of the items here, because after all, they are all Naval Service items. Therefore, hon. members will have every opportunity again after they have seen a copy of the contract, the Order in Council and the correspondence, to make any further remarks that they desire to make.

Mr. McKENZIE: The minister should allow this item to stand until he has the information, and then he will get through very quickly. He has been struggling with this thing for six months trying to make some advance in it; he has failed absolutely to get a dollar in six months, so that he must not complain of the little delay from now until to-morrow to get this information. He will get on very much better by saying that he will take up something else and let this item stand until this information is put in the possession of the committee.

Mr. ARCHAMBAULT: The Chairman has decided that this is the only item on which this discussion can properly take place.

Mr. BALLANTYNE: No.

Mr. ARCHAMBAULT: That was the reason why he decided that it was in order on this item.

Mr. BALLANTYNE: I am not questioning the ruling of the Chair for a moment, but I should like to draw the Chairman's attention to the fact that all these items, 197, 198, 199, 200, 201, 202, 203, and 294 are Naval Service votes. Hon. members have full right to ask any questions they like about the Niobe, Rainbow or anything else in regard to the Naval Service on any of these items, because they are all Naval Service items, as the appropriation shows.

Mr. ARCHAMBAULT: I am sorry to differ from my hon. friend. The other items are not Naval Service.

Mr. BALLANTYNE: Yes, they are.

Mr. ARCHAMBAULT: Item 198 is hydrographic survey.

Mr. BALLANTYNE: That is Naval Service.

Mr. ARCHAMBAULT: Item 199 is fisheries protection service.

Mr. BALLANTYNE: That is Naval Service.

Mr. ARCHAMBAULT: Item 200 is Radio-telegraphic service, and 201 is tidal and current survey.

Mr. BALLANTYNE: Those are Naval Service items.

Mr. ARCHAMBAULT: The only item is 197. The only reason why the Chairman ruled that this discussion was in order was the fact that there was no other item in the Estimates on which this discussion could take place. Even if the hon. member will hold one item, it will not be in order to-morrow to discuss this special deal on that item.

Mr. BALLANTYNE: To show that I am not trying to shut off debate at all—I would like to make progress to-night—I will table all the information that has been asked for, and I want it understood now, if the Chairman will allow me, that hon. members have the right to discuss this question again. Let me point out to my hon. friend that I am on the Naval Service Estimates which amount to $3,726,980. They are all Naval Service Estimates. I would ask the Chair again if he does not consider that all these Estimates are Naval Service Estimates; they are not fishery items nor marine items; they are Naval Service items.

Mr. ARCHAMBAULT: I submit that even with the consent of the minister, the chairman could not allow the discussion of this matter on any other item.

The CHAIRMAN: In previous sessions it has often occurred that an item has been allowed to stand in the Estimates of one of the ministers with the understanding that any subject concerning his de-

partment could be discussed upon that particular item. I am sure that by unanimous consent this discussion could be resumed upon some other item, if the committee now wishes this item to pass and to proceed to other items.

Mr. CAHILL: Did I understand you to say, Mr. Chairman, that it would require unanimous consent to discuss this matter on some other item at a later date?

The CHAIRMAN: Strictly speaking, it would require unanimous consent, but if the hon. members of the Opposition desire to discuss a matter, and the minister in charge of the Estimates desires to allow the discussion, unanimous consent is generally given.

Mr. ARCHAMBAULT: It is not a matter of certainty.

Mr. BUREAU: We could let this item stand until we get the papers, and take up the other items, leaving this one open for further discussion.

The CHAIRMAN: That would be the best way out of the difficulty. Another way would be to obtain the unanimous consent of the committee now that on a certain item to be specified by the hon. minister, this discussion would be in order at a later date.

Mr. McKENZIE: It is very questionable whether this committee or Parliament can bind itself in advance as to what it is going to do, and particularly bind members who are not now present. Members are absent from both sides of the House, and I am not so sure that we could make such a ruling, outside of an Act of Parliament itself, that would be binding upon them.

The Minister of Marine and Fisheries is not going to get off as easily as he thinks. He is practically a new man in the House, and every minister before he is very long in harness learns that the less he says in putting through his Estimates, and the closer he keeps to the item under discussion, the better off he is. The minister to-night swung off into a full discussion of the naval policy, and told us of the sins of omission and commission of both parties for the last fifteen years. He is not going to escape after his fling at this side of the House to-night without hearing something about it.

The hon. minister was not in the House in 1909 when the naval policy of Canada was first discussed, but if he will look up the discussion in Hansard of March 30, 1909, he will see that hon. gentlemen now sitting around him who were in the House at that time voted unanimously with us on this side in favour of the Laurier naval policy. There was not a single dissenting voice to that resolution. The Laurier policy received the full and ample support of every man in the House. Now the minister comes here to-night, twelve or more years later, and taunts us about the Laurier naval policy. The Laurier naval policy had its basis in the resolution moved by the present Minister of Trade and Commerce, then the Hon. George E. Foster. The Right Hon. Sir Wilfrid Laurier, who was then leader of the Government, accepted his resolution with very slight changes and with those very slight changes the whole Parliament accepted the resolution upon which was based the Naval Act of 1910. If my hon. friend the Minister of Marine and Fisheries wants to resurrect the question of the conduct of his party and the reasons for their right-about face in connection with the naval policy of Canada, I shall have no hesitation at all in discussing that matter with him. The naval policy was all right at that time, but in the early part of 1910, I think, an election was held in Drummond-Arthabasca, in the province of Quebec. It was found that the naval policy of Laurier which has been agreed to by every man in this House, was not popular with some people in the province of Quebec, so at once there was a volte-face by hon. gentlemen opposite, and they at once threw to the winds the naval policy of Laurier which they had supported. When the right hon. gentleman who is now Minister of Trade and Commerce was asked by some gentlemen in Quebec: What shall we do in this election? Shall we vote for those who are opposing the policy for the defence of Canada and the defence of Great Britain? Shall we vote against that policy? What did the right hon. gentleman then say? What does it matter whether they are refusing to do anything for Great Britain or not? Anything to beat Laurier. That was the policy of the gentlemen amongst whom my hon. friend the Minister of Marine and Fisheries now takes refuge, and upon whose company he prides himself. At that time it suited him better, perhaps, to be with us supporting the Laurier policy. I say that the hon. gentleman has no business, just because he happens to renege from his party and take shelter with the party opposite,

to taunt us because we were with him in supporting the policy of that time. He ought at least to have modesty enough to say nothing about the policy that he was supporting himself then. I think it ill becomes any man—I care not who he is—who, after supporting a certain policy at one time, leaves his party for some reason or other to befoul those who were formerly with him on the policy which he supported. There is nothing at all to be proud of in this matter. The hon. gentleman says that they have a new navy and a new policy. I want to ask the Conservative party when, where, and on what occasion they agreed upon a new naval policy? There is not a single man of independent standing on the Government side who is in favour of this naval policy. The main body of their support, they say, they have from Ontario. I tell them on my responsibility that there is no enthusiasm in Ontario or among Ontario members in regard to this new navy. In the first sitting of the Borden Administration in 1912 the then Minister of Naval Affairs, Mr. Hazen, shortly after he came into the House, in a speech declared that the naval policy of the Laurier Administration was abandoned once for all; it was not the policy of the Borden Government. He said they had no policy, that they were going to England the next year, and after a consultation on the other side the Government would announce their policy. Any one who reads Mr. Hazen's speech on that occasion will find that statement therein contained. Their next declaration was this, that we could not build ships on this side. They said it would take fifty years to build anything worth mentioning; that is what the leader of the Government at that time informed us. They decided to abandon any naval policy and to take $35,000,000 and purchase some ships from the Old Country and bring them over here in the name of Canada. That was their policy. It was defeated in the Senate after it had been forced through the House under closure, and we heard nothing whatever about the policy until to-night when the minister informs us we have a brand-new navy and naval policy, and that we have wiped out the old naval policy of the Laurier Administration. There is absolutely no foundation for such a statement. The matter was never submitted to the people, as was promised, and that being the case the minister has no mandate to have these vessels in his possession; nor have we the right to vote this money if we have any regard for the wishes of the people. There was no question of this kind before the people in 1917. The people, in fact, took it for granted that the Laurier policy had been abandoned by this Government, and they had every reason to suppose that they would be consulted on any question of a navy before any particular policy was adopted. The Government did not submit the matter to them in 1917, and the people to-day have the right to suppose that we are not going to invest in any naval affairs or launch on any permanent policy until the matter is pronounced upon by them. This discussion has been precipitated to-night by the minister's taunting us with having had a false navy policy. Well, whatever our policy might have been, it was concurred in absolutely and completely by both sides of the House. If it was a good policy we are all entitled to credit for it, and if it was bad we are all equally responsible, and we must not find very much fault with the Rolling Mills of St. John for not standing by their word if the part of Parliament composed of hon. gentlemen opposite have not enough respect for the resolution they passed in 1909 to abide by the consequences of that resolution. Everything in connection with this navy should be thoroughly investigated, and this matter should not pass until we have some information in regard to the way the business of the department is carried on. It will not impose any hardship on the minister to let this item stand. He could go on with other items and get the necessary information in regard to this matter in the meantime. I do say, with more or less feeling, that I deprecate the idea of the minister launching upon a tirade of practical abuse of hon. gentlemen on this side of the House, their policy and their leaders. The policy which he is now so vigorously advocating is one for which he has no authority from the people; he had no mandate from the people to receive this gift. The vessels were only in the way in the Old Country; they did not know where to put them and threw them off their hands upon the minister, so that we should have the large expense in connection with them. No doubt the minister is in full sympathy with them in having vessels which they do not know what to do with. He can appreciate their position when he himself has sixty-five or seventy such craft which he is crowding into every mill pond in every part of the country so long as he can get them out of sight. On that principle, no doubt, he is willing to go to the assistance of those who have

such ships as they cannot dispose of. We have no use for these ships that have been given us. I hope they will never be used, and I cannot see why we should expend money in connection with them that can and ought to be spent to better purpose. I do not think that the minister can defend a policy of spending money just for the glory of having a navy for which we have no use.

Mr. BALLANTYNE: As we have spent three hours now discussing the sale of the Niobe, and in order to give hon. members all the information that they ask for by tabling the facts, as I have promised to do to-morrow, I move that further consideration of this item be postponed, and I hope that hon. members will allow the other items to pass as we come to them.

Motion agreed to.

Item stands.

Fisheries Protection Service and to provide for the repairs and maintenance of the Fishery protection steamers, $370,000.

Mr. McKENZIE: What provisions are made for coastal protection in the Maritime Provinces this year?

Mr. BALLANTYNE: We have two fishery protection vessels in service in the Maritime Provinces and also two which are laid up. We have not sufficient money to keep the four in commission.

Item agreed to.

Pay of temporary officers and clerks at Headquarters, at Halifax and Esquimalt Dockyards, $40,000.

Mr. CANNON: How long will these employees be needed?

Mr. BALLANTYNE: The item of $40,000 is for the pay of temporary officers and clerks at headquarters, Halifax and Esquimalt dock yards. The work is just of a temporary nature.

Mr. CANNON: That is what the item says. I want to know how long they will be there?

Mr. BALLANTYNE: That is a pretty hard question to answer; it is difficult to say how long they will be there. We do not intend to keep them any longer than is absolutely necessary.

Mr. CANNON: The time they will be kept will be proportionate to their usefulness. How long will they be useful, and what are they doing?

Mr. BALLANTYNE: The permanent organization of the department is based on minimum requirements, and makes no allowance for emergencies, temporary pressure of work, unforeseen absence through illness or other causes, et cetera. The sum provided under this head is for the purpose of meeting such emergencies.

Mr. CANNON: I do not want to detain the Committee but I would like to ascertain the exact services of these officers?

Mr. BALLANTYNE: They are doing what ever work the permanent employees do. They may be sometimes employed at clerical work and sometimes at other work. As I say, we are asking this vote to employ these men in a temporary capacity until such times as the Civil Service Commission give us the necessary permanent staff.

Item agreed to.

Fisheries: To provide for salaries, construction and maintenance of fish breeding establishments, $365,000.

Mr. SINCLAIR (Guysborough): I am chiefly concerned with the lobster hatcheries which have been abandoned by the department, and I want to know what the minister has done in the direction of substituting something in their place. I am told that on the Atlantic coast where those lobster hatcheries were, we are back now pretty much to the old method of catching the seed lobster and boiling it in the pot, and losing the seed. That is what I feared would happen when the minister undertook to abolish the system that had been in operation for a number of years. The minister will remember that his predecessors had established a large number of these hatcheries on the coast, but that—on the advice given him by some theorist in the city of Kingston, some professor who learnt his knowledge of fish out of a book—the minister, without consulting the House, or telling the members from the Maritime Provinces anything about it, closed the hatcheries all along the coast and sold them, and destroyed the system that had been built up in the course of many years. I would like to know if the minister has any information to give us as to what he proposes to do in the future in regard to that branch of the service.

Mr. BALLANTYNE: The hon. member, I think, is aware that the reason we closed these lobster hatcheries was because it was in the interest of the greater production of lobsters. Under the hatchery system the production of young fry was only about 30 per cent as compared with 100 per cent in the natural way when the female lobster

12 p.m.

extrudes her eggs. Therefore in the interest of the lobster industry, and especially as lobsters were becoming more and more scarce, we sold those old lobster hatcheries. But we have improved the regulations. We have expert men going down through those districts lecturing to the fishermen, and we are doing everything we can for the better care of the lobster industry and to secure greater production as well.

Mr. SINCLAIR (Guysborough): If the argument of the minister is any good it would apply to other fish as well as lobsters. He is carrying on the breeding of fish of various kinds on the coast and he is asking us to vote large sums of money for that purpose. If his argument that the lobster can be better propagated in the natural way than by any other method is a good one it applies equally to trout, bass, or any of the other varieties of fish that he is propagating. I think he will find it difficult to maintain such an argument. Instead of 30 per cent production of lobsters I question if we are getting any percentage of production at all. The minister apparently is not familiar with the history of this branch of the service. The experience at first was that these seed lobsters were destroyed: they were caught by the fishermen, thrown into the basket with the others, put into the pot in the factories and boiled. The hatcheries were built for the purpose of saving those lobsters that happened to be caught in that way. Inducements were offered to the fishermen to save the seed. That seed went into the hatchery and my hon. friend admits 30 per cent of lobsters were rescued. At present I am told that none are rescued, so that 30 per cent was better than nothing. I would like if my hon. friend could give me any proof that he is getting even a 30 per cent production out of the lobsters that are caught in the traps with seed on them.

Mr. BALLANTYNE: I do not pose as an authority on lobsters or fish generally. I can only give the advice tendered by scientific men, who have informed me that lobster eggs are fertilized and that the female lobster really hatches each one. Therefore, the propagation is very much larger in the natural way when the lobster is free.

Mr. SINCLAIR (Guysborough): But are not those female lobsters caught?

Mr. BALLANTYNE: We have carried on a propaganda for some years to prevail upon fishermen not to catch these small female lobsters, and when they do catch them to put them back in the sea again.

Mr. SINCLAIR (Guysborough): Has my hon. friend sold all the lobster hatcheries on the coast? I understood there were about thirty.

Mr. BALLANTYNE: Yes, they are all sold.

Mr. LEGER: Has the hatchery at Buctouche in the county of Kent been sold? If so, to whom and for what amount?

Mr. BALLANTYNE: I find I was incorrect in that statement. They are all sold but two, and one of those two is the Buctouche hatchery.

Mr. SINCLAIR (Guysborough): Where is the other one?

Mr. BALLANTYNE: I am sorry I cannot tell just where the other lobster hatchery is located that is not sold.

Mr. SINCLAIR (Guysborough): How much has been received for those hatcheries?

Mr. BALLANTYNE: Canso, $1,750; Shippigan, $610; House harbour, $760; Fort Daniel, $775; Arichat, $1,000; Little Bras d'Or, $1,005; Georgetown, $555; Charlottetown, $700; Bay View, $650; Shemogue, $150; Antigonish, $635; Inverness, $350.50.

Mr. CHISHOLM: The minister made reference to the results of the investigation by scientists of this question. Were these scientists unanimous?

Mr. BALLANTYNE: I believe so.

Mr. CHISHOLM: My information is that one of the head scientists of his own department, Professor Prince, did not endorse the policy of the Government in disposing of these hatcheries. If that is so, I do not quite agree with the minister that the question was decided correctly. Professor Prince was brought to this country many years ago, and he made a particular study of our lobsters. According to my information he opposed this policy of the Government, but I understand a few professors gathered themselves down by the seashore for a few months—enjoying themselves no doubt—and decided this question as against a man who had studied the question in the Old Country and had twenty years' experience. The first lobster hatchery established in this country was in 1896 at Pictou, and my information is that the particular zone supplied by the fry from

that hatchery maintained a supply of lobsters much larger than those in any other zone along the coast of Prince Edward Island and around Pictou. This would go a long way to convince me that those hatcheries were doing good work, and that the only thing necessary was careful administration of each hatchery and giving the experiment time to prove itself. There were many features connected with the operation of those hatcheries which in my judgment did not contribute to good results, but rather to the very destruction of the lobsters. I would suggest that if the thirty per cent of fry gathered in the hatcheries was preserved, that is a much larger percentage than is preserved now under natural conditions. The fry of lobsters is subject to great destruction in its early stages, and that was the main reason for establishing these hatcheries. My belief is that they will yet be reopened at a much greater cost than the minister has received at this sale. These hatcheries were closed and sold over-night. In fact, they were sold in such a way as to indicate that the minister was eager to get clear of them, just as in the same department they closed up some of the life-saving stations over-night.

Mr. BALLANTYNE: The biological board unanimously recommended that we close up these hatcheries, and Professor Prince as a member of that board concurred in its decision and also with the report that Professor Knight made. I can only go by the advice of our scientific officers. With regard to the sale of the hatcheries, we called for public tenders, and it has taken us almost two years to sell them.

Mr. SINCLAIR (Guysborough): Scientific officers may be all right in theory, but they do not know the history of the lobster along the Atlantic coast. The minister has not answered the difficulty I have raised in regard to the matter, and that is that the mother lobster is being destroyed. Through the hatchery method he says we preserved thirty per cent of the fry. Well, we are losing that thirty per cent now and the lobster industry is suffering to that extent. It is very easy for a professor to go into his office and make up his mind that the natural method is the best, and I agree with him, but he must have some regard for the fact that these female lobsters are being caught and destroyed. The whole purpose of building these hatcheries was to save those lobsters. My hon. friend should have consulted the

House of Commons. There are a large number of men in this House representing Maritime constituencies who have had more experience in this matter than this professor at Kingston. But my hon. friend ignored the members of the House; he did not give them an opportunity of expressing an opinion in the matter before he came to a decision. If he had had the usual respect for the members of the House he would have come to them and told them that he was going to reverse a policy that had been followed for twenty-five years—that he was going to dispose of these hatcheries; then we would have been able to explain matters to him and perhaps cause him to change his mind. But he listened altogether to these scientific men who live a thousand miles from the coast and who do not know anything about the history of the lobster industry or of lobster breeding in that country. He did not even tell the members from the Maritime Provinces what he was going to do; he simply put the lobster hatcheries up to auction. Surely that course cannot be justified. The minister has to do more now; he has to show that we are saving that 30 per cent, and he has not been able to show it. My information is that we are losing and that the lobster industry is being depleted for want of the hatcheries.

Mr. BALLANTYNE: This matter was brought before the Standing Committee of this House on Fisheries and was very thoroughly discussed so that I did not by any means close the hatcheries simply on information that I got from the scientific officers. They were not sold for a year, and the matter was thoroughly gone into by this committee. I wish to point out also that before we closed the hatcheries and changed the regulations it was not illegal for fishermen to catch the small female lobsters and take them to the canneries where the eggs were brushed off. It is now illegal to do that, and we have taken many important and useful steps by our regulations to improve materially the conditions of the lobster industry. From information I have received from the practical as well as the scientific officers of the department and from hon. members of the House, I am satisfied that this is the case.

Mr. SINCLAIR (Guysborough): I do not like to contradict the minister, but I have attended the meetings of the Fisheries Committee ever since I have been a member of this House and I have never heard that the question of the closing of the lobster

hatcheries was submitted to that committee. It is news to me.

Mr. BALLANTYNE: I want to make it quite clear to my hon. friend: I did not submit to the committee the question of the closing of the hatcheries. I said that the department decided on the advice of practical and scientific men that it would be wise to close them, but before selling them the matter was thoroughly discussed before the Standing Committee of the House on Fisheries and the hatcheries were not sold until a year after they were closed.

Mr. SINCLAIR (Guysborough): Some of them were sold and a protest was entered by members, including myself, to which the minister paid no attention. Of course, the fact that we were protesting as I am doing to-night did not affect the matter. The minister did not make any further investigation; he accepted the advice of the men whom he calls the scientific gentlemen. The minister is not able to show by the reports of his officers along the coast that he is saving the lobsters that were being utilized in the hatcheries. At least, he is not giving us any evidence to that effect; my information is that they are not being saved.

Mr. LEGER: I would ask the minister not to dispose of the Buctouche hatchery at least for a year or so. Many of the people on the shore believe that it is useful, and if it is decided not to close it up the same hatchery might be used for future operations.

Item agreed to.

Ocean and river service—to provide for the temporary relief of distressed seamen and to cover the expenses of shipping forms—further amount required, $3,500.

Mr. McKENZIE: The minister is no doubt aware that the marine hospital at Louisburg has been closed. May I have the minister's attention? Perhaps he is not sufficiently interested in the seamen to listen to a member when he is putting his case. If he is not, I will prefer the matter on some future occasion.

Mr. BALLANTYNE: I was listening to my hon. friend. About two years ago the matters affecting sick mariners were transferred to the Department of Health. This item is to provide for the temporary relief of distressed seamen—to bring to their home ports those who may be wrecked.

Mr. CHISHOLM: With respect to this hospital in Louisburg, I happened to be before another minister of the Government yesterday with respect to hospitals and he assured me that one of the remedies for my difficulty was that there was a hospital at Louisburg.

Mr. BALLANTYNE: I am sorry, but I do not know anything about the marine hospitals; they come under my colleague, the Minister of Health.

Mr. ELKIN: Can the minister tell us how much was transferred from the Marine Department to the Health Department arising out of the sick mariner's benefit fund?

Mr. CALDER: The moneys derived by way of levy for this purpose form part of the general revenue; they do not constitute a special fund.

Mr. ELKIN: Quite a number of hospitals in the seaport towns were supported to some extent by the Marine Department out of this fund—that is, certain beds were maintained in those hospitals for sick mariners. Many of the hospitals have complained that the per diem allowance for these beds is not sufficient. Last year we tried to get a further allowance on that account, for St. John, but it was just at the time that this transfer was being made. I then maintained that if there was a large fund which had been collected by way of mariners' dues at least the interest should be devoted to the payment of a larger per diem allowance in these hospitals in order to give the sailors better accommodation. In St. John the accommodation is not sufficient to take care of sick mariners who are there in the winter season. In fact, in a great many cases the people of St. John are unable to get into the public hospital. A larger wing or something of that sort should be built to take care of these sick mariners, and the same applies to the other ports in the Maritime Provinces where contributions to this fund are rather large. I should like to bring this matter to the attention of the Minister of Health (Mr. Calder), to whom this matter has now been transferred.

Mr. CALDER: I assume the whole discussion is out of order; but I might state that the revenues derived from the Maritime Provinces this year are not as large as the expenditures, and I doubt very much if there is any fund such as that to which my hon. friend refers.

Item agreed to.

Lighthouse and coast service—signal service —further amount required, $4,000.

Mr. FIELDING: I have heard complaints made about the absence of telephones in lighthouses. I think I once made some inquiries of the department, and I was informed that it was not considered to be good policy that telephones should be supplied to light keepers. I have here, if the House will bear with me for a minute, an extract from a newspaper which seems to illustrate the need for telephones from lighthouses to the mainland. This is from an item in the Shelburne Gazette of a few days ago:

Messrs. Robert D. McKay and Frank Owen, of this town, had an exciting experience on Saturday last while fishing between Gray's Island and Gull Rock.

Their motor boat refused to go and for sometime they were pitched about in lively style by the waves which were big enough to make life in an unmanageable motor boat anything but pleasant. Fortunately they were seen by Beaumont Decker, keeper of the Light on McNutt's Island, who walked between two and three miles to give the alarm. Two boats put off to rescue of the two fishermen, one containing Sydney Slate and the other Stanford Kenney and Freeman Atwood and it was not long before the men were towed to terra firma.

They lost their dory and a tub of trawl and had an experience they do not wish to have repeated.

This was a case in which there was danger; the lightkeeper saw the danger, but he had to walk two miles in order to give an alarm. That is an illustration of the fact that lightkeepers should be provided with telephones. Would the minister give consideration to that?

Mr. BALLANTYNE: I shall be glad to give every consideration to the suggestion of my hon. friend. We have not the money this year; but it is a matter that should receive attention, and as soon as the finances of the country will permit, I hope we may have telephones, at least in some of the most important stations.

Item agreed to.

Fisheries—to provide for the expenses of counsel in the Quebec fisheries reference before the Judicial Committee of the Privy Council, $21,645.55.

Mr. McKENZIE: Can the minister give us any idea what is the result of the decision of the Privy Council?

Mr. BALLANTYNE: The Privy Council a few months ago gave a decision under which we are now acting, namely that fisheries in navigable streams leading from the sea were no longer vested in Provincial Governments, but were under the Federal Government. Therefore, we have notified the Provincial Government at Quebec that all these fisheries in navigable streams leading from the sea now come under the Federal authorities, and all those that were not licensees must apply to the Department of Marine and Fisheries.

Item agreed to.

Ottawa Parliament buildings—restoration, $1,000,000.

The CHAIRMAN: This is the item which was under discussion this afternoon when the committee rose at six o'clock.

Mr. McCURDY: One or two members wish to discuss this item further, and it had better stand.

Mr. McKENZIE: I would suggest to the minister that when he brings this item on again, it would be well for him if possible to have the original contract with the contractor and the contract with the architect. We would like to know what those contracts are, particularly the one with the architect, and when the terms of the first contract became exhausted, what was the nature of the second arrangement that was made under which the architect is getting paid now.

Progress reported.

JUDGES ACT AMENDMENT

CONFERENCE WITH THE SENATE

Mr. SPEAKER: I have the honour to inform the House that a message has been received from the Senate acquainting this House that the Senate hath agreed to a free conference desired with the Senate for the purpose of communicating the reasons which induced the Commons not to concur in the amendments made by the Senate to the Bill No. 60, intituled: "An Act to amend the Judges Act," and hath appointed the Honourable Messieurs Bennett, Bostock, Lougheed (Sir James), Ross (Middleton), and Thompson as managers on their part of the said conference, and also that the managers of the Free Conference on the part of the Senate will meet in the Senate Committee Room No. 262, at 10.30 o'clock in the morning, on the thirtieth day of May instant.

On the motion of Hon. Mr. Ballantyne the House adjourned at 12.35 a.m.

INDEX

FIFTH SESSION — THIRTEENTH PARLIAMENT, 1921

Abbreviations.—1r., 2r., 3r.,=first, second, or third reading. Admn.=Administration. Amdt.=Amendment. Com.=Committee. Dept.=Department. Div.=Division. Govt.=Government. M.=Motion. Neg.=Negatived. Qu.=Question. Ref.=Reference. Rep.=Report. Res.=Resolution. Sec.=Section.

Abbatoirs. *See* Health of Animals; Live stock

Abitibi District, 3075
Grievances of settlers, 2510

Accounts. *See* Finance; Public Accounts

Accredited Herd. *See* Health of Animals

Adams, Capt. Henry C., and Canadian Navy Enquiry, 901; qu. 1237

Address in reply to Governor General's Speech, 5, 40, 66, 110, 154, 188, 230, 244, 262, 313, 351, 397, 448, 479. Amdt. to Amdt. (Mr. Campbell), adjournment, neg.; Amdt. (Mr. Mackenzie King) non-confidence, neg. Address agreed to, 561

Ad Hoc Judge, 1084. *See also* Judges Act Amdt.

Adjournment. *See* House of Commons

Administration of Justice. *See* Justice

Admiralty Courts. *See* Vice Admiralty

Adulteration of Food Act Amdt.
Administration, 3129
Maple Products, 888. *See also* that title

Advisory Council of Scientic Research. *See* Research

Aeronautics, etc. *See* Air

Aeroplanes. *See* Air

Age of Consent. *See* Criminal Code Amdt.

Age Limit. *See* Prisons

Agenda. *See* Prime Ministers' Conference

Agrarian Party. *See* Progressive Party

Agricultural Colleges, 1034

Agricultural Gazette, 1074

Agricultural Implements, 91, 492, 417, 583, 666, 3179, 3372, 3394, 3492-6, 3508, 3631
United Grain Growers, and, 418-9

Agricultural Instruction, 1029

Agricultural Machinery (Standardization of Parts) 584; Res. (Mr. McCoig) 666; Amdt. (Mr. Henders) 670

Agricultural Shows, grants to,
M. (Mr. Archambault) 1238; withdrawn, 1247

Agricultural Societies, 1074. *See also* Exhibitions

Agriculture. *See also* Immigration; Soldier Settlement; Unemployment
Agriculture Act in Great Britain, 3186
Aids to, 1245
Appropriations limited, 1029
Butter. *See* Dairying Industry
Cold Storage warehouses, 1038
Conservation Commission, 3964
Cow-testing associations, 1036
Deputy Minister, salary, 950
Dairying. *See* that title
Decline of in Great Britain, 3186, 3237
Department
Civil Service appointments, 1045
County fairs, assistance to, 1123
Deputy Minister, salary, 950
Estimates, 917, 1024, 1074, 1116, 4506-13
Destructive insect and Pest Act, 4512. *See also* that title
District Representatives, 1033-4
Duff, the late Hon. James, work of, 1033
Eggs. *See* that title
Experimental Farms, 4512. *See also* that title
Fruit inspection, 1041. *See also* Fruit
Grasshopper plague, qu. 838, 1027
Health of Animals. *See* that title
International Institute of, 1116
Land suitable for, 845, 872
Live stock. *See* that title

Agriculture.—*Con.*
National Dairy Council, 1126
Potato-growing and diseases, 1032-3, 3224, 3442-73, 3525
Production, 135-6, 872
Products, decline in value, 3487
Publications, 1073
Seed and Feed Control, 1125, 4513
Seed fairs, 1126
Seed Grain. *See* that title
United States, in, 3188
Wright County, condition in, 922

Air Board, estimates, 3776

Air Force,
Camp Borden, qu. 1820, 3777
Preference in Civil Service appointments, 4483

Air Service, 3776
Forest patrol, 4495
Topographic Survey of Northern Canada, 856

Alaska boundary, 4494

Alberta
Coal, price at mine, 1251
Coal production. *See* Fuel Supply Problem, Natural Resources
Highways, grants, qu. 821
Industrial Research Commission, 1267
Penitentiary. *See* Penitentiaries
Prohibition plebiscite, 3901, 4374-88
Supreme Court, qu. 576

Alcohol. *See also* Customs and Excise; Inland Revenue; Prohibition; Proprietary; Special War Revenue
Certificate of provincial analyst, 3786
Customs duty, 3705
Excise duty, 2725-6
For medicinal purposes, 3729, 3957

Alderson, Mr. George B.
Claim of for compensation, 924, 1052, 2270-4, 4508. *See also* Health of Animals

Algernon Rock pier, qu. 1383

Alice Arm, wharf, 3976

Aliens. *See also* Canadian Nationals; Dominion Elections; Immigration; Naturalization;
Franchise, and, 3103
Naturaliation, 2441
Wives of British Subjects. *See* Dominion Election Act Amdt. Bill

All Night Sitting. *See* House of Commons

All Saints' Day. *See* Civil Service Holidays

Alpine Club, 4494

Alward, Mr., and Transcontinental, 1657

Ambassador at Washington, 185, 357, 525, qu. 671, 2400-23, 3635. *See also* Canadian Representation in the United States; Prime Ministers' Conference
Delay in appointment, 786
Fordney Bill, 512. *See also* United States

Amendments to Supply. *See* Supply

American Consuls. *See* Customs and Excise Bill; Trade; Trade Commissioners

American Markets. *See* Customs and Excise Dept. Bill; Trade; United States

Amery, Col. L. S., 1532

Ames, Sir Herbert B. (St. Antoine)
Resignation
Enquiry as to date, 1069
Received, 1001
Reported, 464, 469, 478, qu. 577
See also Representation

Amherst drill hall, 2739

Amqui Station, 382, 1176, 1233

Anderson, Mr. R. K. (Halton)
Address in reply to Governor General's Speech, 235. Demand that Government resign—amendment introduces no new issue, 235; congratulations to mover and seconder—tributes to former Prime Ministers—speech of Leader of Opposition—Unemployment insurance—old age pensions—League of Nations; tariff, 238; Alliance with Agrarian party; leader of Agrarians an out-and-out free trader—by-election in Peterborough—principles of Liberalism, 239; invitation to Liberal Unionists to cross floor—mandate of Government—immediate election would delay redistribution; increased representation, 240; seceders should have consulted their electors—Laurier administration and the tariff, 241; Daniel Webster and the clamourers, 242
Budget, 3348. Canada's debt and annual growth of expenditures, 3348; increase in trade, 3349; increase in population, 3349; Canada's present and future growth and progress, 3351; moderate protection necessary, 3351; reciprocity with United States, 3353; home market and transportation, 3354; fruit growing, 3354; Opposition and protection, 3355; Farmers' Party platform, 3356;

Anderson, Mr. R. K.—*Con.*
Budget—*Con.*
Grain Growers' Grain Company, 3357, 3360; Winnipeg strike, 3359; Depopulation of rural sections and increased price of commodities, 3361
Feeding Stuffs Act, qu. 965
Inspection districts, qu. 1624
Toronto-Guelph-Sarnia highway, etc., qu. 4252

Andrews, Mr. George W. (Centre Winnipeg)
Address in reply to Governor General's Speech, 469. Congratulations to Prime Minister; free trade and protection—the "yellow peril", 471—markets of the world, 472; exports; Farmers' Platform; abuse of tariff no argument against protection, 473; free trade in England; armaments do not prevent war; Assembly of the League of Nations—the amendment; redistribution; election, 474
Canadian National Railways
Special Committee reference to, M. (Mr. Meighen), 1803
Housing, 1152
Oleomargarine Act Amdt., 3881
Prime Ministers' Conference, 2678
Proportional representation, 1537

Anglo-Japanese Alliance, 2637-9, 2357-60

Animal Contagious Diseases Act
Administration, 1048
Powers under, 4508
See also Health of Animals

Animal Contagious Diseases Act Amdt. Bill
Res. 2031; 1r., 2942; 2r., com., 3r., 3011

Animals, Cruelty to. *See* Criminal Code Amdt.

Annapolis County
Fruit growing in, 1046
Inspectors, 1041

Annapolis public building, 2741

Annexation. *See* United States

Annual Drill. *See* Militia

Annuities Branch, 4524

Anodynes, elixirs, etc., duty on, 3709

Anse Aux Gascons wharf, 3991

Anse St. Jean, wharf, 4536

Antelope in Western Canada, qu. 1134

Anticosti Island, squatters on, 1514

Antigonish Public Works office, 2818

Appendices
Canadian National Railways
Employees' pay, qu. 1737, 1815

Apples. *See also* Fruit
Export to Great Britain, 1501, qu. 1714
Markets for, 1469
Tariff on, 126

Appropriation Acts
1. Bill No. 42 (for 1921-2, for $71,499,703.70). Res. 1674; 2001; 1r., 2045; 2r., com., 2100; 3r., 2116
2. Bill No. 222 (for 1920-1, for $14,681,810.-14; and for 1921-22, $371,044,471.26). Res., 1r., 2r., com., 3r., 4577

Arbitration. *See* Grand Trunk

Arbitrations and Awards, Railways, 3015

Arbitrators, Judges as. *See* Judges Act Amdt.

Archambault, Mr. Joseph (Chambly and Verchères)
Address in reply to Governor General's Speech, 244. Grand Trunk employees' pensions, 244—omissions from Speech—dissolution—election, 1917; "Knots and Lashings"—railway problem, 245; Can. Govt. Merchant Marine—Prime Ministers' Conference, 246; Imperial relations; League of Nations; no mandate—Purchasing Commission, 247—overtures to Quebec, 248; Mr. Gauthier, severance of connection with Liberal party, 250; inconsistent attitudes towards tariff, 251; Lafontaine and Cartier, 252; Minister of Immigration, 253
Agricultural Shows, M., 1238-46; withdrawn, 1247
Auditor General's Report, 1385
Banff National Park, 4495
Bankruptcy Act Amdt. Bill, 2911
Board of Commerce, qu. 599, 602
Budget, 3557. Financial operations, 3557; rigid economy in national expenditure necessary, 3558; military expenditure, 3558; Winnipeg strike, 3560; Grand Trunk shareholders, 3560; Prime Minister playing the game, 3562; Credits to Greece and Roumania, 3563; Members of Parliament directors of companies selling to Government, 3564
Canada Grain Act, 1442
Canada Shipping Act Amdt. Bill, 2230
Canada-West Indies Trade Agreement, 2252

Archambault, Mr. Joseph—*Con.*
Canadian Government Merchant Marine
Proposed Special Committee, 1440
"Squatter" and "Pioneer," Ss., qu. 1382
Canadian Nationals Definition Act, 2032
Canadian National Railways
French language, 4331-3
Special Committee, reference to, M. (Mr. Meighen) 1767-97
Canadian Press Limited, qu. 564
Civil Service, religious holidays, 1384; qu. 1499
Confidential messengers, 1334
Criminal Code Amdt. Bill, 3007, 3919-36
Customs and Excise Dept. Bill
Amalgamation of departments, Dr. Cartier, 3821
Debates, translation of French Speeches, Res. 698
Defamatory libel; publication of judicial proceedings, 2149, 3933
Dominion Elections Act Amdt. Bill, 4237-40
French Trade Agreement, 1174
Grand Trunk Railway
Loan, 4138
Shareholders, list of, 3320, 3560, 3740
Harbours and rivers, 3975-81
Highways, grants to provinces, qu. 2098
Inland Revenue Act Amdt. Bill, 2247
Inland Revenue Collector at St. Hyacinthe, Dr. Cartier, qu. 3904
Inquiry into public services, qu. 604
Interim Supply, voting of, 2011
Kirkwood Steamship Company, qu. 564
Militia supplies, sale to Roumania, 2245
Mondou, Mr.—Yamaska election, 3594
Montreal and South shore bridge, M. 2211-19
Montreal, public service, qu. 604
Naturalization Act, 1914 Amdt. Bill (Aliens who served in Allied Armies) 2441
"Niobe" and "Rainbow," sale, 4031-34
Oil, leases, qu. 564
Opium and Narcotic Drugs, 2265
Paintings in Senate Chamber, qu. 566
Parliament Buildings, 3994-4002
Pierreville postmistress, qu. 3423
Prime Ministers' Conference, qu. 564; 3320
Privilege, correction of Official Report Société des Artisans, 230
Public Accounts, 1069
Public Buildings, Nova Scotia, 2758
Public documents, destruction of, qu. 599
Purchasing Commission, 2024
Returns, enquiries for, 2009, 2775, 3320
Ross rifle, statement of Rev. Canon Scott, qu. 599

Archambault, Mr. Joseph—*Con.*
Roumania and Greece
Dominion Canners, purchases, qu. 1001
Interest on loans, 1072
Loans to, qu. 478, 564
Militia stores, sale to, 2245
Tappert, Rev. N., qu. 1673
Welland canal, 2025, 2979-98

Architect. *See* Parliament Buildings

Archives, 4533. *See also* Public Records
Biggar, Mr. H. P., qu. 2343
Doughty, Dr. Arthur, 2947
Provision for, 2945

Arctic Expedition, 4106, 4113

Argentine, Beef, competition with, 1039

Argue, Mr. Ira E. (Swift Current)
Address in reply to Governor General's Speech, 367. Congratulations to Prime Minister—Mandate of Government and its supporters, 367; redistribution, representation of West; freight rates; Wheat Board, 368; price of wheat—grain investigation, 369
Canadian National Railways, 3038
Civil Service Act Amdt. Bill, 4467
Gravelbourg-Swift Current Railway, 3053

Armistice Day
Shipbuilding contracts after, 1683
Thanksgiving, 2555

Armistice Day Bill (Mr. Mowat) 1r., 2618; Transferred to Govt. Orders, 3207; 2r., com., 3773; 3r., 3776

Armouries for Public Meetings, qu. 901

Armstrong, Mr. J. A. M. (North York)
Civil Service bonus, 2109

Armstrong, Mr. Joseph E. (East Lambton)
Budget, 3424. Western Ontario industries, 3424; Imports of manufactured goods and exchange, 3425; canning factories, 3426; manufacturing industries generally, 3427
Business of the House
Bills reported by Standing Coms., 3761
Butter substitutes, material for, 3745
Canal tolls, 2969
Civil Service Retirement Act Amendment Bill, 4273
Flax Industry, 1401
Great Lakes-St. Lawrence Waterway, 744
Highways west of London, 4307
Illustration stations in Western Ontario, 948
Immigrants along national railways, 3070

Armstrong, Mr. Joseph E.—*Con.*
Inland Shipping
Canadian Government Merchant Marine, qu., 2192
Rates—control, 1497, 2557, 2966-9
Inspection of Gas and Gas Meters, 607
Lake of the Woods Regulation Bill, 4193
National Research Council, 2702
Ocean shipping, Govt. control, qu. 3530
Quebec Union Electric Telephone Co., 3343, 3421
Railway Act Amdt. Bill (Inland Shipping Rates), 1497, 2556
United States railways, 1576
Welland canal, 2969

Army Worms, 1028

Arsenic, 1027

Arthur Young Company, 2781, 4465. *See also* Address; Civil Service; Post Office; Printing Bureau
Employment of, 551
Payments to, qu., 4251

Arthurs, Mr. James (Parry Sound)
Criminal Code Amdt. Bill, firearms, 3900-6
Dominion Elections Act Amdt., 309
Imports for home consumption in 1920, qu., 602
Pensions, widowed mothers, 637
Polish battalion for service in French army, 4056
Soldiers' Pensions, insurance and re-establishment committee, final report, 4056

Artisians, Canadiens Francais, La Société des, 82

Ascension Day, 2626, 2775. *See also* Civil Service
Adjournment. *See* House of Commons

Ashley, Sergt. T., C.M.S.C., qu., 3090

Assembly. *See* League of Nations

Atholstan, Lord, 1515
La Presse and, 3248

Atikokan, additional tracks, 1017

Atlin District, B.C., Judge, 1080

Auditing. *See* Canadian Government Merchant Marine; Canadian National Railways

Auditor, Independent. *See* Canadian National Railways

Auditor General
Railways, audit by, 1189

Auditor General's Report, 597, 958, 2247
Comparison with Estimates, 1108
Delay in bringing down, 737, 903, 1791
Penitentiaries, purchases for, 1104-5
Travelling expenses of judges, 1088
Unprovided items, 4535
Vols. I and II, 642; Vol. III, 788, 1396; Vol. IV, 737, 1176, 1385, 1388

Australia and New Zealand
Trade and steamship services, 1223, 1468, 1493

Austrian and German Imports. *See* Customs Act Amdt. Bill; Customs and Excise Dept. Bill

Authors. *See* Copyright

Automobiles.—*See* Criminal Code Amdt.
Driving while intoxicated, 3911
Theft, 3913

Backus, Mr. E. W., 4173-4224. *See also* Lake of the Woods

Baie Ste. Catherine Steamship Service, 1822, 1971

Baie St. Paul liquor seizure, qu., 696; qu. 1132

Balance of Trade, 97, 3219, 3264, 3366, 3397 *See also* Address, Budget, Trade

Baldwin, Mr. W. K. (Stanstead)
Budget, 3201. Tariff question, 3201; war indemnity, 3202; Roumanian and Greek loans, 3202; present economic conditions, 3202; financial situation, 3202; Laurier Government, 3204; railway problem, 3204; taxation, 3204; Easterr Townships, 3205; military and nava expenditure, 3205; League of Nations, 3208; military service, 3206; immigration policy, 3206
Dairy Products Grading Bill, 4446
De Martigny divorce, 4112
Great Lakes-St. Lawrence waterway, 741
Housing, 1143-9
Lake of the Woods Regulation Bill, 4224
Unemployment and Labour, 1373

Balfour, Hon. A. J., and protection, 3417

Ball, Mr. Robert J. (Southeast Grey)
Pierreville postmistress, qu., 3208

Ballantyne, Hon. C. C. (Minister of Marine and Fisheries and Minister of the Naval Service)

Ballantyne, Hon. C. C.—*Con.*
Brant, steamer, 1982
British preference, 3485, 3553
Liberals, and, 3616
Budget, 3209. Revenue, 3209; Imaginary letters and Mr. McMaster, 3209; private business of ministers, 3210; tariff revision, 3210; position of Mr. Fielding on tariff, 3211; Naval affairs and expenditure, 3212; fiscal policy of Farmers' and Liberal parties, 3213; boot and shoe industry in Quebec East, 3214; Mr. King's speeches in Eastern and Western Canada, 3214; position of Mr. Gauthier, 3215; Quebec representation in Cabinet, 3216; attitude of Quebec,. 3216
Business of the House
For tomorrow, 2148
Canada Shipping Act Amdt. Bill (Public harbours) 2229
Canada-West Indies Trade Agreement, 2259-60
Canadian Government Merchant Marine
Balance sheet, 1920, errors in, 1697-8
Canadian Press comment, 1704
Creation of company, 1908
Dominion Iron and Steel Company, 1710
First annual report, 1694
General statement, 1272; shipbuilding, 1272, 1279; shipping rates, decline in, 1273; cost of construction, 1274; operating costs, 1275; routes and sailings, 1275; exports, 1276-77; operating results, 1277; assets, 1277; liabilities, 1278
Halifax-Newfoundland route, 1686
Information, 1440
Operating profit, 1867
Preference to Canadian products, 1280
Quebec port, alleged discrimination against, 1271
Sailing routes, 1275, 1733
Ships on Great Lakes, 1914
Vessels, names of, 1962
Canadian "Inventor" 1890
"Champlain," 1980, 1995
Canadian Nationals Definition Bill, 786
Champlain, steamer, 1980, 1995
Chicago Drainage Canal, 1851
Civil Service Act Amdt. Bill, 4475-84
Naval Service, preference, 4484
Dry docks, 1690
"Esperanto," wreck, 4341
Fisheries
Breeding establishments, 4036
Dominion and Provincial jurisdiction, 2105

Ballantyne, Hon. C. C.—*Con.*
Fisheries—*Con.*
Inspection of pickled and canned fish, 2183
Lobster hatcheries, 4036
Overseers in Lunenburg, 2179
Salmon fishing licenses, 4342
Icebreakers and steamers, repairs, 1979, 1994
Imaginary letters, 3209, 3174
Johnston, Mr. Alex., re-appointment, 644
Life-saving service, 1990, 1991
Lighthouse and coastal service, 1996, 2174
Signal service, 1997, 4040
Lightkeepers' salaries, 1995
"Marie Lydia," schooner, 1985
"Narbethong," steamer, 2175
Naval Service estimates, 4010-36
Navigation, season of, 1994
"Niobe" and "Rainbow," sale, 4010-36
Ocean and River service, 1736
Pilotage, administration of, 1999
Pilots, pensions, 2000
Public Harbours, 2229
Repairing of ships at Quebec, 1988
St. Lawrence channel, dredging, 1992
Senate and House of Commons Act Amdt. (Ministers and directorships) 652
Sherwin-Williams Paint Co., 372, 3484
Shipbuilding, 1272, 1683, 2081
Contracts, 1872, 1884, 1972, 1902
Correction as to value, 1683
Depreciation, 1886
Details of construction, 1874
Dominion Steel Company, 1691
Extra fittings, 1894
Figures, 1931
Imperial Munitions Board, 1869
Interest on cost, 1887
Lemieux, Mr., speech on, 1684
Newspaper comment, 1934
Operating profit, 1866
Opposition to, 1892
Price per ton, 1873
Progress in debate on, 1729, 1931
Sinking fund, 1885
Shipyards, Government loan to, 1883
Swan, Mr. D. D., Consulting engineer, 1997
Tariff—speech, Montreal, Nov. 15, 1920, 363
Welland canal obstruction, 1990
Wrecking plants, 1990
Wrecks, investigation, 1988
Yamaska by-election, 3251

Ballot Boxes, Convicts working on, 1092

Banff National Park, 3986, 4495

Banking and Commerce, Com., 962

Bankruptcy Act Amendment Bills
1. Bill No. 36 (notice to creditors of suspension) 1r., 1069; 2r., com., 2556. (See No. 3)
2. Bill No. 37 (French Version) 1r., 1069; m. for 2r., 2557. (See No. 3)
3. Bill No. 118. 1r., 2618; 2r., com., 3909, 3143; 3r., 3146. Senate amendments. 3772-4068

Subjects and sections discussed:
Additional security by trustee, 2913
Adjustment of rights of contributories, 2929
Affidavit upon registration, 2910
Alternative powers—court to await prior action, 2937
Assignment of book debts, 2922
Available Act of bankruptcy, 2909
Claims, priority, 2935
Commencement of bankruptcy, 2910
Discharge of Trustee, 2934
Dismissal of petition, 2910
Dividend, 2930-31
French version; correction, 4170
Jurisdiction of Dominion and provinces, 2924
Leased premises, 2935
Liability of officer, director or agent of company, 2940
Local newspaper, 2909
New trustee may be substituted, 2916
Penalty for removing goods, 2938
Permission limited, 2920
"Person," 2910
Procedure in Quebec under Civil Code, 2924
Proof, power to admit or reject, 2935
Proposal of composition or management, 2911
Removal of goods; bank deposits, 2920
Remuneration, expenses and costs, 2930
Remuneration of trustee, 2933
Search warrants, 2936
Securities—secured creditor to value, 2935
Stay of proceedings, 2912
Trustee may apply for directions, 2918
Trustee may apply for sale of property, 2920
When misrepresentation or fraud, a defence for contributory, 2928

Bankruptcy Act, Judges under, 1084

Banks. *See also* Finance; loans
Canadian, deposits outside Canada, qu. 1623
Dominion Notes and gold reserve, qu. 1234
Taxation, and, qu. 2192, 3664

Banner Oats, 1033

Bar Association. *See* Canadian Bar Association

Barbed Wire, 3328, 3495

Barnard, Mr. C. A., 1846, 1930

Barnhill, Mr. A. P., 1609-10. *See also* Canadian National Railways
Business interests, 3610

Bass River, wharf, 3989

Battlefields Memorials Commission, competitive designs, 2566

Beatty, Mr. E. W., and immigration, 1127, 1356

Beauce, appointment of Judge, 1081

"Beaver" Canadian, Ss., qu. 1673

Beef Cattle. *See* Cattle Embargo; Live Stock

Beef, Dressed, export of, 1039. *See also* Cattle Embargo

Beer Containers, Marking, 3786

Beet Sugar, 301, 3426, 3456

Béland, Mr. H. S. (Beauce)
Address in reply to Governor General's Speech, 157; Election, League of Nations, 157; speeches of Sir George Foster and Mr. Rowell; International Justice; Article X; registration of treaties; expenses, salaries of officials. 158; Canada's share; Imperial federation; centralization; local control; Lord Burnham, 159; unrest and dissatisfaction, 160; Government has outlived mandate; representation, redistribution will not greatly help Agrarians; tariff issue, 161, 162; Quebec situation, 162; Canadian National Railways, Board of Commerce, 163; Board of Pension Commissioners; International Joint Commission; Peace Conference; Assembly of the League of Nations, 164
American implements at Experimental Farms, qu. 492
Auditor General's Report, 914
Brunelle, Sergt. Major N., 1519
Business of the House
Monday, Government business, 2148
Public Bills and Orders, 2819
Second reading by consent, 2889
Saturday sittings, 2818
Canada Year Book, 1425
Canadian Association for Prevention of Tuberculosis, 3142

Béland, Mr. H. S.—*Con.*
Canadian National Railways
Private ownership, 1498
Canadian representation in the United States, 2400-28
Civil Service Act Amdt. Bill, 2780
Civil Service Retirement Act Amdt. Bill, 2492-2502, 4268-73
Coal importation, 1248
Cocaine and morphine imports, 3130
Coffee, adulteration of, 3141
Conservation Act Repeal Bill, 3146, 3958-71
Dairy Produce Grading Bill, 4437-42
Demobilization, 2285
Dominion Lands Act Amdt. Bill, 4065
French Trade Agreement, 1175
Fuel Supply, Special Committee, evidence in French, 4251
Government railways, boards of management, 1658
Governor General—reported appointment of Lord Byng, 4435
Grain elevators, 1442
Health
Medical officers, 3133
Immigrants, for, 3132
Housing loan, 4552
Immigration, 2575
Income Tax Act Amdt. Bill, 4351-5
Income Tax, extension of time, 1272
Maple Products Act Amdt. Bill, 2150, 2193, 2557-60, 2618, 2890
National Catholic Labour Unions, 1652
National Resources, 892
Maple industry, 892
Opium and Narcotic Drugs, 2263-7
Parliament Buildings, 4000
Permanent Court of International Justice, 2096, 2709-11
Polish Battalion for service in French Army, 4055
Pootmans, Mr. G., and Belgian loan, 3379
Purchasing Commission, 2018, 2020, 2024
Quebec riots, 1508
Quebec Union Telephone Company, 3343
Returned Soldiers
Pensions, insurance and re-establishment Special Committee, 732, 4055
Relief for, 2688
Revenue, expenditure and debt, qu. 2099
Scientific Research, 1430. *See also* Research
Statutory expenditures, 1422
Unemployment, 4551

Belfast, linen yarns. *See* Linen yarns

Belgo-Canadian Pulp & Paper Company, 3049

Belgium. *See also* Loans
Credit to, qu. 577, qu. 1001, 3347, 3377
Pootmans, Mr. G., 3379
Purchases in Canada, qu. 736

Bell, Dr. Graham, secretary, 2377

Bell, Major Graham A., 1609-10, 1666, 3610. *See also* Canadian National Railways

Bell Telephone Company, Signal Service, 1998

Belly River water rights, qu. 2943. *See also* Irrigation

Bermuda
Steamship service to, 1488
Trade agreement, rejection of, 1271. *See also* Canada-West Indies
Trade relations, 2253

Berne Convention. *See* Copyright

Berry Boxes and Currant Boxes
Amendment of Inspection and Sale Act M. (Ethier), 4106, 4114

Berthierville telephone, qu. 1233

Bertrand, Mr. Joseph Tetu, 4079

Best, Mr. John (Dufferin)
Agricultural Shows, 1244
Chief Justice, income tax, 1565
Civil Service Act Amdt. Bill, 4468-80
Experimental Farms, 940
Flax-growing, 1392, 1395
Fruit inspectors and Civil Service Commission, 1045
Highway construction in Ontario, 3027, 3033, 4295
Lake of the Woods Regulation Bill, 4214-18
Oleomargarine Act Amdt. Bill, 3855-88
Parliament Buildings, 4075

Bi-Cameral System. *See* Ministers

Bienfait, Briquetting plant at, qu. 673, 4499. *See also* Coal; Lignite; Natural Resources

Biggs, Hon. F. C. and Highways, 3036, 3037, 4290, 4448. *See also* Highways

Bills. *See also* Deputy Speaker; House of Commons; Private Bills Discussed; Speaker. For Public Bills see individual titles

Binder Twine, 3227, 3328, 3365, 3481, 3493, 3505. *See also* Special War Revenue Act Amdt.
Exemption of fibre, 3746

Biological Board, 2189

Birchard, Dr., grain laboratory at Winnipeg, 1228

Birds. *See* Migratory Birds

Bituminous. *See* Coal; Fuel Supply

Blair, Mr. William J. (Battle River)
Address in reply to Governor General's Speech, 376; General election unfair to West; no demand; marketing of farmers' grain; at mercy of grain dealer; elevator practices, 377; position of elevator operator; screenings and dockage, 378; overages; Winnipeg Grain Exchange; Wheat Board; participation certificates, 379; Mr. Woods' statement; investigation necessary
Canadian Wheat Board, qu. 1343

Blake, Mr. Matthew R. (North Winnipeg)
Address in reply to Governor General's Speech, 313; Congratulations to Prime Minister; unjust criticism of Government, 313; effective prosecution of war; trade expansion; merchant marine; re-establishment, 314; Soldiers' Settlement Act; soldiers' insurance; expenditure of Ontario Government, 315; trade with United States; exchange; declaration of policy by leader of Agrarians; investigation of grain trade, 316; performances not promises; leader of the Opposition, 317
Alcohol, tax on, 3731
Criminal Code amendment, 3899
Debates, translation of French speeches, 702
Lake of the Woods Regulation Bill, 4201
Opium and Narcotic Drug Act Amdt. Bill, 2267

Blondin, Hon. P. E., 536, 552. *See also* Postmaster General
Payments to, qu. 567. *See also* Ministers, Post Office

Blood Indian Reserve. *See* Indians

Blood-Testing of Animals, 1050

Blouin, Mr. Joseph. *See* Quebec Riots

Blue Books, printing of, 1485. *See also* Printing Bureau

Board of Commerce, 163, 401, 441, 3169, 3604. *See also* Address, Budget
Appointment and work, qu. 602
Total cost, qu. 599

Board of Directors. *See* Canadian National Railways; Management

Board of Railway Commissioners. *See* Railway Commission

Board of Trade Reports
French forms, 2819, 3320, 3375

Boards of Trade, 1465. *See also* Trade

Boivin, Mr. George H. (Shefford). *See also* Deputy Speaker
James McLaren Company, Limited, 665
Speaker's Chair, presentation, 3688, 3691

Bolshevism, 27, 3451
Pamphlet issued by Labour Department, 4548

Bolton, Mr. Ferris (Lisgar)
Address in reply to Governor General's Speech, 396; Grain trade—drying up of lakes in Prairie Provinces—duration of Parliament, 396

Bombs. *See* Criminal Code Amendment

Bonds. *See also* Finance; Loans; Victory Bonds
Canadian Government, qu. 1620, 3289
Comparative return on Dominion and Nova Scotia, 4165
Outstanding War, Victory, tax free and taxable, qu. 2821
Tax-exempt, 3398

Bonus. *See* Civil Service

Boot-making. *See* Penitentiaries

Boots and Shoes
Industry, 1222, 3214, 3230, 3386, 3484, 3631
Trade in, 1225

Borax, Manufacture of, 3365

Bordeaux Mixture, 1033

Borden, Right Hon. Sir Robert L. (King's, N.S.)
Archives, provision for, 2947-53
Armistice Day Bill, 3773
Business of the House
Complaint of undue haste, 4452
Prorogation—important business immediately preceding, 4452
Canadian Constitutional Development, 2378
Canadian National Railways, Special Com., reference to, M. (Mr. Meighen), 1777
Canadian Representation in the United States, 2436
Civil Service Act Amdt. Bill, 4488
Religious holidays, 4488
Returned soldiers, 4259
Copyright Act Amdt. Bill, 3838-50
De Martigny divorce, 3765-70
Disarmament, views on, 3418
Estimates on Thursdays and Fridays, Rule 17c, 2104
Governor General—Address to on retirement, 4435
Interim Supply, 1678
Judges' salaries, 1563

Borden, Right Hon. Sir Robert L. —*Con.*
Maisonneuve and Gaspé, representation, 2329
Nauru Island phosphate deposits, 4542
Prime Ministers' Conference, 2626
Privileges and Elections Com., 2373
Speaker's Chair, 3693

Borden, Camp
Air Force, qu. 1820, 3777

Borrowing. *See* Housing; Loans

Boswell, wharf, 3977

Bosworth, Mr., and value of ships, 1706

Boucher, Mr. Aime, ques. 3422, 3423. *See also* Pierrevile; Yamaska

Boucher, Mrs. *See* Pierreville Postmistress

Bounties, 3085. *See also* Natural Resources; Trade and Commerce
Beet Sugar, 3456
Iron and Steel, 874
Linen yarn, 1389
Petroleum, crude, 1385, 1413

Bourassa, Mr. J. B. (Levis)
Canadian National Railways, superannuation, qu. 2344
Civil Service
Appointments, qu. 572
Returned soldiers, qu. 3259
Dredge Internationale, qu. 2192, 2506
Motor-bus tax, remission, qu. 603
Printing Bureau, destruction of documents, qu. 603
St. Romuald public building, qu. 577, qu. 604

Boxed Goods. *See* Special War Revenue Act Amdt.

Boyce, Mr. George (Carleton)
Arthur Young Company and Griffenhagen, payments, qu. 575
Housing, 1146
Immigration to Northern Ontario, 3077
Oleomargarine Act Amendment Bill, 3859
Unemployment and immigration, 1362

Boyer, Mr. Gustave (Vaudreuil-Soulanges)
Dairy products grading Bill, 4444
Maple Industry, 887
Natural resources, 887
Road from Cascades Point to Coteau Junction, qu. 576
Tobacco licenses, 2554
War History, qu. 1625

Boys, Mr. William A. (South Simcoe)
Customs and Excise Dept. Bill
Provincial analyst's certificate, 3789
Still—innocent manufacture of part, 3788
Grand Trunk loan, 4148-58

Bradley, Mr., Vice-Admiralty registrar, 1086

Bran, for destructive insects, 1027

Brandram-Henderson, Limited, 1611

"Brant," steamer, 1982

Brantford-Hamilton Highway. *See* Highways.

Bridges. *See also* Canadian National Railways; Public Works; Railways and Canals
Banff, 3986
Bryson-Calumet Island, 3986
Campbellton-Cross Point, qu. 573, 2937
Edmundston, 2810
Grand Etang, 3987
Jacques Cartier County, 3678
Joliette, 4320
Kingston, 3973
Lachine Canal, 3675, 4308
Longueuil, 300
Montreal-South shore, M. (Archambault) 2213
Perrot Island, qu. 576, qu. 603
Quebec highway, 4333
Railway, 1664
St. Annes-Vaudreuil, 3677
Victoria, 300

Briquettes, 1251, 1267, qu. 673, 4499. *See also* Fuel; Lignite

Bristol, Mr. Edmund (Toronto Centre)
Canadian Government Merchant Marine, 1288
Cattle embargo, 728
Grand Trunk Arbitration Bill, 2464
Great Lakes-St. Lawrence waterway, 743
Senate and House of Commons Act Amdt. (Ministers and directorships) 594
Shipbuilding, 1288

British Board of Trade and Immigration, 3133

British Cattle, 1049. *See also* Cattle Embargo

British Chamber of Shipping, 1716

British Columbia
Buoys and Lighthouse service, 2175
Fisheries, 861, 883
Fruit industry, 9-10
Hog cholera in, 1059
Lumber trade, 1725

British Columbia.—*Con.*
Natural resources, 861
Poultry, 3750
Shipment of ties to Egypt, 1725
Vancouver Island railways, qu. 3422

British Embassy at Washington, 1221. *See also* Canadian Representation.

British Empire Steel Corporation, 1691. *See also* Halifax Graving Dock

British Flag, protection under. *See* Burnham, Dr.

British Foreign Office. *See* French Trade Agreement

British Funds, disbursement in Canada, qu. 733

British Goods, importation of. *See* Customs Tariff Act Amdt. (Marking of Imported Goods)

British Manufacturers. *See* Trade

British North America Act
Proposed amendments. *See* Address; Ministers
With regard to Judges, 1082

British Precedents. *See* Address; Ministers

British Preference, 3699

British Remount Commission, 4341, qu

British Subjects, foreign-born wives of. *See* Dominion Elections Act

British Traditions. *See* Ministers

Brookfield, Mr., and Halifax Graving Dock, 1699

Brouillard, Mr. J. O. (Drummond and Arthabaska)
Archives, Mr. H. P. Biggar, qu. 2343
Canadian National Railways, Hornepayne division, qu. 1624
George, Mr. A. D., qu. 1233
Newcombe, Mr. E. F., and G. T. Arbitration, qu. 1002
Printing Bureau, destruction of documents, qu. 1621
Judge Snider's report, qu. 2028
Tilley, Mr. W. N., K.C., qu. 1001

Brown, Hon. George, 172, 1167-8
Letter to Sir John A. Macdonald, 4002

Brown-Tail Moth, 1027. *See also* Destructive Insects

Brunelle, Sergt. Major N.
M. (Mr. Lemieux) for papers, 1518

Brussells, International Financial Conference, qu. 1237, 3148, 3150, 3157, 3268, 3276, 3452, *See also* Military Expenditure

Buchanan, Mr. W. A. (Lethbridge)
Address in reply to Governor General's Speech, 475; congratulations to Prime Minister; explanation of personal position; not prepared to support Government; people voted on war not domestic questions; new parties, policies and leaders, 475; redistribution and election; Western Canada entitled to increased representation, 476; tariff; the parting of the ways, 477
Antelope in Western Canada, qu. 1134
Customs revenue by provinces, qu. 1622
Irrigation
Belly river water rights, qu. 2943
Milk river water rights, qu. 2099
Natural resources, 857
Transfer to Western Provinces, 2535
Trade agents in United States, qu. 1001

Buckley, Mr. Charles P., qu. 966

Budget. *See also* Ways and Means
Date of
Announcement of, 2943
Inquiry, 738, 903, 1270, 1555, 2151, 2568, 2818, 2890
Debate on, 3127, 3146, 3209, 3262, 3322, 3343, 3375, 3423, 3476, 3531, 3584
Amdt. (Mr. Fielding) 3155; neg., 3686-7; resolution agreed to, 3688
Resolutions, 3121
Speech, 3114

Bud Worm, destruction in spruce forests, 1031

Building Conditions. *See* Housing

Building Material, tax on, 3734, 3736. *See also* Special War Revenue Act Amdt.

Building Trades. *See* Labour

Building Trades Conference, 1498, 1556

Bulk Freighters. *See* Fuel Supply

Buoys. *See* Navigation, aids to

Bureau, Mr. Jacques (Three Rivers and St. Maurice)
Armistice Day Bill, 3773
Automobile theft, 3916
Business of the House, 1330, 1340
Definite statement as to, 1025
Estimates—method of voting, 1073
Morning sittings—prorogation, 4339
Previous debate, 3562

Bureau, Mr. Jacques—*Con.*
Business of the House—*Con.*
Supply
Procedure, 1024, 1025, 1073, 1217
Thursdays and Fridays, 958, 1217
Canada Temperance Act
Cases pending, 3902
Exemption of, 4376
Proclamation, 4876
Retroactive legislation, 4376
Supreme Court case, 4376
Canadian Forestry Association, 4494
Canadian Nationals Definition Act, 645, 647, 767
Canadian National Railway Company, damage to property, 3049
Canadian National Railways
Forest fires—Transcontinental, 4335
Operation of, 1004
Saskatoon, switch engines, qu. 3090, 3903
Cattle embargo, 729
Civil Service Act Amdt. Bill, 3901-4267
Conservation Act Repeal Bill, 3959-68
Containers, 3956
Copyright Amdt. and Consolidation Bill, 3830-7
Criminal Code Amdt. Bill, 3900-36
Customs and Excise Dept. Bill
Invoice certificate, 3798
Fee, 3798
Form of, 3798
Proclamation, 3798
Trade agents, 3798
Dominion Elections Act Amdt. Bill (Prohibition plebiscite), 261
Dates of proclamation, assent and voting, 303
Names eliminated, 304
Dominion Elections Act Amdt. Bill, 4246-8
Election officers, disqualification, 4246
Nomination paper, 4247
Exchequer Court Act Amdt., 624
Fuel Supply Co. evidence in French, 4251
Harbours, and rivers, estimates, 3973
Vote in Com., 3979
Highway construction in Ontario, 4297
Hudson Bay Railway, motion involving expenditure, 984
Income Tax Act Amdt. Bill, 4344-54
Inspection of Gas and Gas Meters, Bill, 608
Interior Department
Messenger clerks, 1333
Salaries, 1330
James MacLaren Company, Limited, Bill, 598
Justice Department
Law officers, 1078
Juvenile delinquents—spanking, 3918

Bureau, Mr. Jacques—*Con.*
Lake of the Woods Control Bill, 1176
International Joint Commission, and, 1071
Lake of the Woods Regulation Bill, 4171-4226
National Research Institute, 2692
"Niobe" and "Rainbow", sale, 4012-34
Park St. Charles Company, proposed payment to, 4575
Patent Act Amendment Bill, 4456-9
Penitentiary Act Amdt. Bill, 3739
Railway statistics, qu. 3422
West Durham election, 1324
Wines, sparkling, tax on, 3734

Burnham, Dr., treatment of by Serbian Government, qu. 576
M. (Mr. Lemieux), 1520

Burnham, Mr. J. H., resignation of, 1

Burnham, Lord, 159
Suggested appointment as Governor General, 599

Business Depression, 3213. *See also* Address; Budget; Trade

Business Profits War Tax, 3120, 3253, 3445. *See also* Address; Budget; Taxation
Expenditure, 4533

Butter. *See* Dairying Industry; Dairy Products, grading of; Oleomargarine

Butts, Mr. Robert H. (Cape Breton South and Richmond)
Budget, 3524. Attitude of Government supporters on tariff, 3524; comparison with attitude of Opposition, 3525; protection and the fiscal policy, 3525; foreign trade development under protection, 3526; steel trade, 3526; Dominion Coal Company and strike—Mr. E. M. Macdonald, 3528
Cost of operation of ships, 1799
Criminal Code Amdt. Bill, theft of automobiles, 3917
Ingonish, Macleod's breakwater, 4087
Interim Supply, 2020
Judges, power to suspend sentence, 1857
Post Office Act Amdt. Bill, 2124
Reciprocity agreement with United States, 2066
St. Lawrence coal trade, 1495
Wrecks, removal of, 1990

By-Elections. *See* House of Commons; Representation in Parliament
Bill respecting, 1310
Holding of. *See* Representation in Parliament

Byng, Lord, New Governor General. *See* Governor General

Cabinet
French Canadian Minister, alleged offer of position to, 3638. *See also* Veniot; York-Sunbury
Gauthier, Mr. L. J., M.P., and, qu. 1131
Ministers. *See also* that title
Post Office Dept. and, qu. 1349
Quebec, representation in, 3216

Cabot Strait, 3297

Cahill, Mr. Frank S. (Pontiac)
Air Board, 3777-83
Annapolis public building, 2741
Binder twine fibre, 3756
Bounties, 1386. *See also* under this title; Natural Resources; Oil
Bureau of Statistics, 2142
Business of the House, 1344
Estimates
Announcement of business for to-morrow, 1344
Rule 17C
Right to call dept. when in Com. of Supply, 2889
Thursdays and Fridays, 1215, 2889, 3001
Calumet Island bridge, 3986
Canada Year Book, 1425
Canadian Nationals Definition Act, 776
Canadian National Railways
Auditing of accounts, 1189, 1668
Board of Directors, 4314
Correspondence with directors, 1003
Lord Shaughnessy's letter, 2503
Management—Information, M. (Mr. King) 1189
Officials, payment of, 1669
Report, qu. 902
Special Committee, reference to
M. (Mr. A. K Maclean), 1615
M. (Mr. Meighen) 1769
Amdt. (Mr. Crerar) 1813
Canadian Northern Railway, Directors, 1664
Canadian Representation in the United States, 2378
Census—appointment of enumerators in Pontiac, 828, 1127
Civil Service and patronage, 828
Customs and Excise Dept. Bill
Cost of production, 4426
Imports from European countries, 2811-19
Proclamation, 4407
"Reasonable profit in the circumstances" 4415
Valuation for duty, 4415

Cahill, Mr. Frank S.—*Con.*
Customs and Excise Dept. Bill—*Con.*
Valuation of currency, 3811-19
Customs Tariff Amdt. Bill, imported goods, marking, 3952
Dominion Elections Act Amdt. Bill, 4245
Dominion Police Force, withdrawal from Mounted Police, qu. 601
Dominion Statistician, 1231
Estimates. *See also* under this title Business of the House
Consideration of, 1666
Objection to, 1074
Flax industry, 1396
Georgian Bay Canal, 688
Gilmour and Hughson, Limited, 1096
Grand Trunk Arbitration, qu. 2030, 2445-79
Grand Trunk Loan, 4145-68, 4314
Motion to reduce, 4151, neg. 4167
Grand Trunk Railway, directors, 3741
Great Lakes and St. Lawrence waterway, 688
Harbours and rivers, 3973-80
Homesteads, 1346
Housing, 1145
Immigration, 2578-84, 3057
Abitibi country, in, 3075
Immigration Act Amdt. Bill, 3826
Imperial Mineral Resources Bureau, 4499
Interim Supply Bill, 2103-2116
Interior and Immigration Depts. 1331
Inspection of Gas and Gas Meters Bill, 609
Kapuskasing illustration station, 949
Live cattle industry, 1474
Manufacturers, protection, 1492
Militia, annual drill, 2294
Montreal Harbour Commission, 2268
Mounted Police,
Recruits, qu. 601
Strength, 2798-2800
National Research Institute, 2705
National resources, 849
Oil
Bounties, 1418, 1424
Lands, General Lindsay and, 1342
Leases, 1340
"Niobe" and "Rainbow," sale, 4028-34
Oleomargarine Act Amdt. Bill, 3883-92
Opium and Narcotic Drug Act Amdt. 2267
Parliament Buildings, 3996-4001
Penitentiaries, 1116
Increase in cost, 1112
Permanent Court of International Justice, 2096
Pontiac Census Commissioners, 1127
Printing of Publications, 1438
Purchasing Commission, 1098, 1102, 1114, 2142

Cahill, Mr. Frank S.—*Con.*
Railway Commission, 3016
Railway Department, record searcher, 1672
Railways
Deputy Minister of, 1665
Parliamentary control, 1603
Return, inquiry for, 2688
Riding Mountain Park, 1343
Rule 17C (Estimates on Thursdays and Fridays) and Interim Supply Bill, 2103-2105. *See also* under this title Business of the House
St. John and Quebec Railway Bill, 2155-7
Shipbuilding, 1935
Contracts, 1902, 1911
Export trade, 1927
Sinking fund, 1885
South Africa steamship service, 1491
Steamship subsidies, 1491
Transcontinental Railway
Colonization along, 3075
Winnipeg-Quebec service, 2511
Transportation of grain, 2982. *See* under this title Georgian Bay Canal; Great Lakes-St. Lawrence waterway
Welland canal construction, 2981-90
West India cable, 1438
West Indies-Canada Trade Agreement, 1467
West Indies Steamship service, 1488, 1490

Calder, Hon. J. A. (Minister of Health, Immigration and Colonization; President of the Council)
Canadian Nationals Definition Act, 779
Chinese Immigration Act Amdt. Bill, 3207. 3827-9. *See also* under this title, Immigration
Civil Service
Retirements, list of, 1817
Superannuation
Increased allowances, 4275
Civil Service Act Amdt. Bill, 4461-93, 4281-88
Civil Service Retirement Act Amdt. Bill, 2486-2503, 4119, 4266-78
Dominion Lands Act Amdt. Bill, 3903, 4062-8
Debates, Official, distribution of, 2224
Esmonde, Mr. Osmonde Grattan, 1557
Health
Adulteration of food, 3142
Department, 3127
Report, 1852
Research work, 3135
Drugs, traffic in, 3130 *See also* Opium and Narcotic Drugs
Medical officers, 3133
Mental Hygiene Council, 3143

Calder, Hon. J. A.—*Con.*
Health—*Con.*
Sick mariners, 3135, 4039
Immigration Act Amdt. (Deportation), 1858
Immigration Act Amdt. Bill, 3007, 3822-7
Money qualification, 3825
Persons guilty of sedition, 3826
Senate amendments, 4343
Immigration
British inspectors, 3067
Care of immigrants, 3069
Chinese, 3207, 3827-9, 4131
Department, 3055
Estimates, 2568-2602, 4127, 4131
Postponement of consideration, 3077
Exhibits decorator, 3066
General statement, 2568
Head tax, 3056
Medical officers at ports of departure, 3132
Mental defectives, 3583
Officials, 3057
Policy, 3063
Railways and, 4130
Typhus fever, precautions, 644
Unemployment, and, 1380
United States, 3065
Women, 3061
Inspection of Gas and Gas Meters Bill, 620
Langley, Hon. George, statement by, 456
Langlois, Mr. George Arnoult, 4128
Military District No. 12, 2797
Opium and Narcotic Drugs Act Amdt. Bill, 2263-8, 2346, 2897, 3009, 4062
Special Committee, report, 2708
Proportional Representation, 1541
M. for Special Com., 1542
References to, 363, 438, 452
Royal Canadian Mounted Police, strength, 2798
Royal Canadian Mounted Police Act Amdt. Bill, 2343, 2481-6
Sales tax, 3757
Sick and distressed mariners, 3135, 4039
Smallpox on Scandinavian, 1499
Tuberculosis, prevention of, 3142

Caldwell, Mr. Thomas W. (Victoria and Carleton, N.B.)
Abattoirs and cold storage plants, 1125
Agricultural implements, 3496
Budget, 3441. Farmers' party, attitude of, 3441. Protective tariff and duty on fertilizers, 3441; potato crop, 3442; Roumanian loan, 3444; revenue from Victory Bonds, 3444; luxury taxes and business profits tax, 3445; Canadian manufacturers and tariff, 3446; sales tax, 3447

Caldwell, Mr. Thomas W.—*Con.*
By-election, York-Sunbury, 2151
Canadian National Railways, directors, 1672
Civil Service Act Amdt. Bill, 2781, 4467-89
Cow-testing, 1037
Customs Tariff Amdt. Bill—imported goods marking, 3950
Dominion Elections Act Amdt. Bill, 4243
Fertilizer Act Amdt. Bill, 1497, 2231
Highways—New Brunswick, 4306-8
Inspection of Gas and Gas Meters, 613
Lumber, tax on, 3744
Militia, Douglas, Mr., dismissal, 2277
Post Office Act Amdt. Bill, 2123
Railway Department, sundries, 1667
St. John and Quebec Railway Bill, 2154, qu. 837
Tobique reserve—timber, 4503
Widowed mothers' pensions, 639, 4370
Woodstock exhibition, 1125

Camp Borden. *See* Borden, Camp

Camp Grounds, Farnham, Que., 1132

Campbell, Mr. A. W. *See* Highways, Commissioner of

Campbell, Mr. J. A. (Nelson)
Address in reply to Governor General's Speech, 369; Congratulations to Prime Minister; review of the debate; personal position, 370; tariff, protection not main question before House, 371; adjustment of tariff schedules, necessaries of life; profits; Dominion Textile Company; Sherwin - Williams Paint Co.; duties on agricultural implements; Ford car; mining machinery, 373; Government formed for period of war; redistribution before election, 374; precedents; constituency of Nelson, a concrete proposal; adjournment till fall for redistribution, 375; amendment to the amendment proposed, 376; Amdt. negatived, 561
Aerial patrol, 4495
Budget, 3681. Natural resources of Western Provinces, 3681; tariff revision and protection, 3682; cement industry, 3683
Canadian Forestry Association, 4495
Canadian Wheat Board Bill, 2159
Criminal Code Amdt. Bill, 3915-38
Dominion Elections Act Amdt. Bill, 4233-43
Geological Survey, 2141-7
Grand Trunk Arbitration Bill, 3463
Highways
Manitoba, 4308
Ontario, 4298

Campbell, Mr. J. A.—*Con.*
Hudson Bay Railway, 2980
M. 974, 1852
Lake of the Woods Regulation Bill, 4187-4207
Musk Ox and Reindeer, 4543
National Research Institute, 2699
Natural Resources, 869
Transfer to Western Provinces, M. 2519, 2541-53
Parliament Buildings, 3999
Railway Commission, cases before, 3022
Reference to, 495
Shipbuilding contracts, 1955
Trent Canal, 2606-16, 2953-8
Welland canal, 2966-89
Witness fees, 3937

Canada Evidence Act Amdt. Bill
1r., 3318-9; 2r., com., 3r., 3758

Canada, Foreign Trade. *See* Trade

Canada Grain Act. *See also* Canadian Wheat Board; Grain; Administration, 1442

Canada Highways Act. *See* Highways

Canada Shipping Act Amendment Bill (Public Harbours)
1r., 1174; 2r., com., 2228; com., 2555; 3r., 2556

Canada Steamships, Limited, 1914

Canada Steel Company, 3407

Canada Temperance Act, 4533
Importation of liquor into provinces, qu.
Quebec city, petition for suspension, 3584, 4382
Where adopted, repealed and in force, qu. 4253

Canada Temperance Act, Bill. *See also* Dominion Elections Act Amdt; Prohibition Plebiscite
1r., 3901, 4061; 2r., com., 4373; 3r., 4388
Subjects and sections discussed:
Alberta, probibition plebiscite, 4376
Cases pending, 3902, 4373
Costs, 4377-81
Damages, 4387
Defect in form not to invalidate, 3902
Expenses under, 4533
Gold Seal Liquor Co. v. Dominion Express Co. 4375
Omission of date from proclamation, 4379
Pending litigation not to be affected Amdt. (Mr. Maclean, Halifax) 4384

Canada Temperance Act Bill—*Con.*
Proclamation, 3901, 4375
Valid, 4373
Prohibition plebiscite, 4375
Retroactive legislation, 4374
Rights other than those of litigants, 4379
Vote, 4379

Canada-West Indies Trade Agreement, 1920, 563
Report tabled, 2191. *See also* Trade

Canada-West Indies Trade Agreement, 1920, Bill
Res. 1557; 1r., 1557; 2r., com., 2251; 3r., 2263

Canada Year Book, 1231, 1425

Canadian Air Force, qu. 965, 3776. *See also* Air
Camp Borden, qu. 1820, 3777
Regulations tabled, 350

Canadian Association for the Prevention of Tuberculosis, 3142

Canadian Bar Association, 1094. *See also* Private Bills Discussed

Canadian "Beaver," qu. 1673. For names of Canadian Government Merchant Marine vessels, *see* Vessels

Canadian Citizens, War Claims, qu. 1820. *See also* Germany, Reparation

Canadian Council of Agriculture. *See also* Progressive Party
Platform, 338, 489, 3356, 3358, 3569

Canadian Council of Women's Immigration, 3058-61. *See also* Immigration

Canadian Engineering Standards Association, 1426

Canadian Expeditionary Force. *See also* Returned Soldiers
Disability pensions, qu. 1235
Farmers and farm labourers in, qu. 1349
Polish battalion for service in French army, 4051

Canadian Forestry Association. *See* Forestry

Canadian Goods, sale of. *See* Customs and Excise Dept. Bill; Trade

Canadian Government Merchant Marine, 6, 314, 557, qu. 3089. *See also* Ballantyne, Hon. C. C.; Canadian National Railways, Special Committee; Insurance Act Amdt. Bill; Returned Soldiers; Shipbuilding; Vessels

Canadian Govt. Merchant Marine—*Con.*
Assets, 1277
Liabilities, and, for 1920, 1701
Auditing of accounts, 1694
Balance sheet for 1920, 1696
Bosworth, Mr., statement of, 3249
Business brokers, 1713
Coal for, 1861
Competition with other steamers, 1714
Construction costs, 1274
Contracts, proposed cancellation, 1727
Control of, 1908
Crews, 1275
Complaint of treatment, 1891
Depreciation, 1701
Directors, names of, 1934
Dominion Iron and Steel Company, 1710, 1723
Export trade, 1732
Fair wages, 4545
Financial operations, qu. 902
First annual report, 1692
General statement by Minister, 1272; shipbuilding, 1272, 1279; shipping rates, decline in, 1273; cost of construction, 1274; officers and crew, 1274-5; operating costs, 1275; routes and sailings, 1275; West Indies service, 1275-6; export trade expansion, 1276; results from operation, 1277; assets, 1277; liabilities, 1278;
Government shipbuilding programme, 2076. *See also* Shipbuilding
Great Lakes, ships on, 1913
Hall Engineering Co., Montreal, qu. 695
Information, 1164, 1440
Availability of, 1279, 1290, 1292
Special Committee. *See* Canadian National Railways, Special Committee
Inland navigation, and, qu. 2192
Insurance, 1278, 1703, 4359
Liabilities, 1278
Manager, 1934
Marcil, Mr. Louis T., compensation for injuries, qu. 2942
Marwick, Mitchell & Co., auditors, 1724. *See also* that title
Montreal, Bank of, opinion, 1895
Operating account, for 1921, 1969
Estimated, 1717
Operating costs, 1275; and wages, 1933
Operating losses, 1579
Operating profit, 1866
Operation, result of, 1277
Operation of boats, 1579
Press comment, 1705, 1707, 1709, 1718, 1808
Prime Minister, statement of, 1708

Canadian Govt. Merchant Marine—*Con.*
Quebec port, discrimination against, 1271, 1965
Reported sale of ships, qu. 570
Royal Bank, and, 1719
Sailing routes, 1275, 1732
Sick mariners, and, 3136. *See also* Health
State-owned fleets sold in other countries, 1718
Steamers, repairs to, 1979
Steamship services. *See also* that title
Australia-New Zealand, 1493
Canada-West Indies, 1275, 1489, 2259
Newfoundland, 1487
Vessels. *See also* that title
Cost of, 1799
In service, qu. 568
Liquor cargoes in, 1713, 1715
Names of, qu. 1499
Canadian "Beaver," qu. 1673, 1862
Canadian "Conqueror," qu. 1381
Canadian "Explorer," 1714
Canadian "Inventor," 1890
Canadian "Mariner," 1713, 1715
Canadian "Otter," qu. 1382
Canadian "Pioneer," qu. 1382, 1689, 1722, 1894
Canadian "Planter," qu. 2942
Canadian "Rancher," 1716
Canadian "Recruit," qu. 575, qu. 1381, 1382, 1703, 1868
Canadian "Runner," 1715
Canadian "Sapper," qu. 734
Canadian "Squatter," 1894
Canadian "Voyageur," qu. 1381, 1382, 1716, 1894
Registration of, 1720
Size of, 1732
Wages, 1921

Canadian Government Railways. *See* Canadian National Railways

Canadian Institute of Mining and Metallurgy, 2164

Canadian Law Library, 1090

Canadian Locomotive Company, Limited, 1610-11
Works, 3407

Canadian Manufacturers. *See* Trade and Commerce

Canadian Manufacturers Association and Tariff, 3445, 3645. *See also* Address; Budget; Manufacturers

Canadian National Committee for Mental Hygiene, 3143

Canadian National Express Company
Expenditure on Eastern lines, 3037

Canadian National Railways, 89, 163, 245, 269, 330, 344, 381, 387, 390, 4561. *See also* Grand Trunk; National Railways and Shipping; Railways; Reid, Hon. J. D.
Administration of. *See under this head* Management
Amqui station, 382, 1176, 1233
Annual statement by Minister, 1004
Auditing of accounts, 1669, 1792
Auditor
Independent, qu. 1133
Baie St. Paul—St. Urbain branch line, 4328
Betterments, 1015, 3037, 4316
Bonds
Flotation of in New York, 3288, 3298
Bridge between Montreal and South Shore, 2213
Canadian Government Railways. *See under this head* Intercolonial, Transcontinental
Branch railways, purchase of, 4338
Vote of $7,000,000 to meet working expenditure, 4335
Canadian National Express Company, 3037
Canadian National Railway Magazine, 4332
Canadian Northern Railway, 245, 3287
Bonds, issue and sale of, qu. 837
Borrowing, 3287
Certificates, issue and sale of, qu. 605
Cost of equipment, 1023
Deficits, 1189
Eastern lines, 1018
Guaranteed bonds, sale of, qu. 604
Loan of $50,000,000, 3037
Quebec-Loretteville, electrification, 4328
Salaried officials, qu. 2942
Vessels, qu. 1348
Western lands, 2583
Western lines, 1017
Cape Breton Coal and Steel, 3295
Car shortage, 512, 549, 3541, 4322
Caraquet-Gulf Shore extension, 4338
Carvell, Hon. F. B., speech of, 1202. *See also* that title
Cedar posts, tenders for, qu. 1130
Charlevoix county—station platforms, 4329
Claims against, 1657
Claims between Ste. Rosalie and Bagot, qu. 571
Disposition of unoccupied land between, qu. 572
Coal purchases, 1772
Committee proposed, 1201
Company, 3049
Conductors, qu. 569
French-speaking, lack of, 1782, 4329
Correspondence, production of, inquiry, 1003

Canadian National Railways—*Con.*
Deficit, 996, 1005, 1178, 1185, 1189, 1203-4, 1205, 1597, 1600, 4165, 4319
Payne, Mr. J. Lambert, 3017
Directors, 1664, 3407, 4314
Cantley, Col. Thomas, qu. 1501
Deputy Minister of Railways, 1666
Interested in other companies, 1609
Names, 1609
Private business interests, 1609, 3610
Responsibility, 1594
Salaries, 4315
Divisional points, qu. 574
Earnings, 1006
Eastern lines, Improvements, 1017
Electrification, 4327
Employees, 1011
Conductors and brakemen discharged, qu. 1622
Fraud and malpractice by, 1669
Reduction in, 1851
Remuneration, qu. 1673, 1737
Supplementary answer, 1755, 1815
Equipment, 1007, 1013
Expenditure, 1662
Betterments, on, 3037
Western lines, 3037
Explanation of increase, 1011
Fair wages, 4545
Family compact, 1610
Fences, 4569
Fire claims—Shelburne County, 4569
Fish, transportation of, 877, 883, 890, 962, 1038
Fixed charges, 1006, 1008
Flavelle, Sir Joseph, 4142, 4314. *See also* that title
Foremen of engines, qu. 1673
Freight
Cars, qu. 568
Nova Scotia points, qu. 1620
Rates, 4562
Tonnage, 1007, 1012
French language in Quebec and New Brunswick, 4328
Gaspé Railway service, 962, qu. 2623
Government business, 4130
Grading and track-laying, 1021
Grading in Western Provinces, qu. 570
Grand Trunk loan, 4131
Halifax and South Western
Extension to Lockeport, 4323
Station accommodation, 4327
Hanna, Mr. D. B., 4315. *See also* that title
Hornepayne division, qu. 1624
Ice supply at Mulgrave, qu. 963
Immigration, 4129
Improvements and new structures, 1017

Canadian National Railways—*Con.*
Independent auditor, qu. 1133
Information for Parliament. *See under this head*, Management; Special Committee
Insurance, 1772
Intercolonial Railways, 3041, 4561
Amqui, piling lumber in railway yard, 382
Auditing of accounts, 1189
Charny and St. Foy, work, qu. 1501
Deficit on, 1800
Expropriation of land at Lévis
M. (Mr. Fielding) for papers, 1846, 1851
Lévis station, 2957
Management, 1189
Maritime Provinces, improved transportation, 4561
Mileage, 1005
Ocean limited, 1976
Pensions, old employees, 387
Railway Board, and, 1655
Section men, dismissal, qu. 2028
Superannuation of employees, qu. 575
Train service, qu. 3903
Joliette bridge, 4320
Kelley, Mr. Howard D., 4315
Lake Superior Branch, 3050
Liabilities, 3300
Liquor, theft of, qu. 1132
Loans
$26,000,000, 4169, 4288, 4334
$89,687,633.39, 4131
Amended item, 4168, 4288, 4313
Locomotives, etc., 1007, 1203, 1611
Damage to at Parent, qu. 963
Lord Shaughnessy's letter, 2503, 2890
McAdoo award, 4325
Maintenance, 1005, 1006
Management, qu. 1132, 1654, 1659, 1668. *See under this head* Special Committee
Information laid before Parliament, M. (Mr. King), 1178
Neg. on division, 1214-5
Manitoba Government, correspondence, 2777
Maritime Provinces, improved facilities, 4516, 4561
Mileage, 1005, 1012
Ministerial statement by Hon. Mr. Reid, 1004; operation, loss in, 1005; mileage, 1005; earnings and operating expenses, 1006; general railway situation, 1007; Grand Trunk Railway, 1008; summary of operating results, 1010; Grand Trunk Pacific, 1014; new structures and improvements, 1017
Monastery, station at, 4324
Moncton shops, 1851
Montmagny—shed accommodation, 4570
Montreal Locomotive Company, qu. 696
Natural resources, development, 871

Canadian National Railways—*Con.*
National Transcontinental. *See* under this title, Transcontinental
New lines, 1023
Operation, 1005, 3300
Cancellation of trains, 1004
Operating deficits, 1013, 1189
Operating divisions
Eastern lines, qu. 1131
Western lines, qu. 1131
Operating expenses, 1006
Operating results, 1010, 4316-18
Parlor car receipts—French language, 4330
Passenger traffic, 1012
Payroll, comparison of, 1011
Political control, freedom from, 2828
Politics, participation in, 4502
Prince Edward Island Railway, 4565
Private cars, 4563
Private ownership, and, 1498
Provincial liabilities, qu. 2942
Publicity, 4332
Purchasing agent at Chicago, 1793
Quebec and Saguenay station agents, qu. 696, qu. 963
Quebec bridge—highway, 4333
Quebec, Oriental & Atlantic and Western Railways, qu. 573
Quebec—Shawinigan service, qu. 573
Questions on order paper, 1763, 1782, 1783, 1798
Rails
Price of, 1852
Transfer to France, 4569
Railway ties, 1772
Rate increases, 1007, 1191
Report, qu. 902
Rolling stock, 1007
St. Alexis station, qu. 2375; qu. 3582
St. Augustine, qu. 695
St. Foy round house, 767
Correspondence, 1502
Res. (Mr. Parent), 840, 967
St. John and Quebec Railway, qu. 837 *See also* that title
St. Hyacinthe shops, qu. 2821
St. Simon telegraph operator, qu. 3208
Saskatoon, shunting, qu. 3090, 3903
Section men, 1439
Special Committee, proposed reference to M. (Mr. A. K. Maclean), 1573; Amdt. 1582-83
Special Committee on National Railways and Shipping
M. (Mr. Meighen)
Agreed to as amended, 1814
Amdt. (Mr. King) 1761, neg. 1810
Amdt. (Mr. Crerar) accepted, 1812-14
Notice of, 1618

Canadian National Railways—*Con.*
Special Committee on National Railways and Shipping—*Con.*
Special Committee appointed, 1845
Reference to, 1817
Report of, 2095
Staff, 4562
Statements and summaries, 1010, 1024
Statistics, qu. 3422
Steamship services, 558
Subsidiary companies, 1907
Sully, Que., 1134
Summaries of operating results and trade statistics, 1009
Superannuated employees
Increase of allowance, qu. 575, qu. 2344
Toronto train connections, 4569
Tourist traffic in Gaspesian peninsula, qu. 2622
Train agents, qu. 1349
Transcontinental Railway, 280, 746, 1949, 3043
Expropriation of land, 1656
Forest protection, 4335
Freight rates on pulpwood and sawlogs, 2511
Management, 1189
Mileage, 1005
Montreal, and, qu. 574
Montreal-Winnipeg passenger traffic, qu. 2376
Winnipeg-Quebec service, 2509
Transportation of grain, 2984
Transfer of rails to France, 4569
Vancouver Island, qu. 3422
Western lines, 1017, 3039
Winnipeg-Quebec and East, qu. 569, 2509
Work done, 1019

Canadian National Railway Company, existence of, 3049

Canadian National Research Institute, 4555. *See also* Research

Canadian National Telegraphs, 1019

Canadian Nationals Definition Bill
1r., 397; 2r., 585, 644, 767; com., 767; 2031; 3r., 2151
Sections and Subjects discussed:
Canadian Nationals, 767
Declaration of alienage, 2031
Naturalization, 781
Renunication of nationality, 781

Canadian Navy. *See also* Naval Service
Adams, Capt. Henry C., 901, qu. 1237
Ex-members of, qu. 3422
Sale of "Niobe" and "Rainbow." *See* "Niobe"
Status of members of, 3686

Canadian Northern Railway. *See this title* under Canadian National Railways

Canadian North Prairie Lands Company, 1611

Canadian Pacific Railway Company, 1789. *See also references* in Canadian National Railways debates
Canadian notes refused in United States, qu. 599
Comparison with Government railways, 1780
Competition with Government railways, 1181, 1190, 1200
Patents to lands, qu. 2821
Shares, decline in price, 1195-6
Steamers, 1688, 1730, 1936
Stock, depreciation in, 1882

Canadian Postal Guide, qu. 1349

Canadian Press Limited, 4533. *See also* Press
Comment on Canadian Government Merchant Marine, 1704

Canadian Reconstruction Association, 3312

Canadian Representation in the United States, 2378-2436. *See also* Ambassador at Washington; Customs and Excise Dept. Bill; Prime Ministers' Conference; Trade
Correspondence, 2406, 2428
Press comments, 2408
Statement regarding, 2406

Canadian Trade Commission
Roumania and Greece, purchases, qu. 1236

Canadian Vickers, 1884. *See also* Shipbuilding

Canadian War Mission in the United States, 2388, 2400

Canadian Wheat Board, 240, 277, 343, 368, 379, 390, 487, 1452-63, 3566. *See also* Grain and Grain Trade; Wheat
Agrarian party and, 1455
Correspondence, qu. 1348
Discontinuance of, 513
Participation certificates, 340-1
Report, 150

Canadian Wheat Board Bill
Res. 2116; 1r., 2117; 2r., com., 2158-59; 3r., 2159

Canadians, Foreign decorations to, qu. 1132

Canal Boats. *See* Fuel Supply Problem

Canals, 2025, 2602, 2953, 2960, 2966-98
Carillon and Grenville, 2603

Canals—*Con.*
Chambly, 2602
Georgian Bay, 688, 745, qu. 2625
M. (Mr. Devlin) 679. *See also* that title
Lachine, 2603
St. Anne's lock; St. Ours lock, 2606
Tunnel, 302
Navigation by coal barges. *See* Fuel Supply Problem
Perrot Island bridges, qu. 576
Soulanges, 2604
Road from Cascades Point to Couteau landing, qu. 576
Tolls, 2962, 2972
Trent, 3374, 3415
Construction, 2025, 2966
Improvements, 2606, 2953
Nassau dam, 2954
Peterborough dam, 266
Wharf at Lindsay, 2616
Welland, 1968, 3374
Construction, 2025, 2493
Contracts, 2966-98
Cost plus system, 2966-98
Improvements, 2960
Retirement of superintendent, 2493
Sand contract, qu. 600

Cancellation of Trains. *See* Canadian National Railways

Canned Foods. *See* Meat and Canned Foods

Canners. *See* Dominion Canners

Cannon, Mr. Lucien (Dorchester)
Address in reply to Governor General's Speech, 531; Speech of the Minister of Militia; the new Prime Minister, 531; partizans and ultra Imperialists; big interests and protection; Government's mandate; struggle for constitutional and responsibile government, 532; election of 1911; controversial legislation following extension of 1916; the appeal in 1917; measures following the war; railway policy; Imperial Conference, 533; new Government leader and programme—the "Rump Parliament"—by-elections, 534; situation in Quebec—Mr. Gauthier—the Postmaster General—the Minister of Labour, 536—Quebec and the balance of power, 537
Annapolis public building, 2750
Arctic Expedition, 4113
Auditor General's report, 1388, 1396
Bankruptcy Act Amendment Bill, 2915-40
Judges under, 1085
Bounties, principle of, 1425

Cannon, Mr. Lucien—*Con.*
Business of the House
Estimates on Thursdays and Fridays—Rule 17C, 1218
Canada Year Book, 1231
Canadian Nationals, 769
Canadian National Railways
Management and expenditure, 1662
Management — Information, M. (Mr. King) 1197
Canal tolls, 2962
Chief Justice, salary, 1569
Civil Service Act Amdt. Bill, 4489-90
Religious holidays, 4489-90
Civil Service Commission, 1336
Outside service, 1653
Civil Service, Res. (Sir Sam Hughes) political patronage in; vicious principle; patronage rampant; judicial appointments, 811; census commissioners; Halifax platform, 813
Criminal Code Amdt. Bill, 3921-29
Dominion Elections Act Amdt., 305
Dominion lands and parks, 1334, 1343
Donner, Mr. W. A., ques. 1624
Estimates
Detail of item, 1226
French, in, 1386
Rule 17C, Thursday and Fridays, 1218
Post Office, date of submission, 4531
Statutory payments, 1414
Exchequer Court Act Amdt. Bill, 625
Expenditure
Necessity for reduction, 1336
Without consent of Parliament, 1415
Experimental farm in Dorchester county, 946
Flavelle, Sir Joseph, 4142
Government Railways, claims against, 1657
Governor General's cars, 3037
Grand Trunk loan, 4132-69
Halifax and Esquimalt dockyards, 4036
Highways, expenditure on, 3024, 3026, 3036
Houses, tax on, 3958
Imperial Oil Company, 1386-8, 1414
Intercolonial Railway, station at Lévis, 2757
Interim Supply. *See also under this head* Estimates
Discussion out of order, 1680
Notice, 1676
Interior Department Publications in French, 1333
Judges, conduct of, 1571
Live stock, distribution of pure-bred animals, 923
Ministers to sit in either Chamber, 1165
Montreal-Quebec pilots, superannuation, 1501

Cannon, Mr. Lucien—*Con.*
Motion pictures, artist, 1225
Parliamentary restaurant, 4536
Permanent Court of International Justice, 2716-36
Petroleum bounties, 1386, 1413, 1420
Point of order
Information, 1229
Statement of Member to be accepted, 2765
Railway Commission, 3020
Cases before, 3021
Chairman, 3017
Railway Congress, 3023
Railway Department
Deputy Minister's salary, 1666
Outside legal counsel, 1656
Solicitors and counsel, 1654
Work of, 1661
Railways. *See also* under this head Canadian National Railways
Lack of information, 1336
Minister, duties of, 1663
Railway employees, Civil Service Commission, 1653
Responsible Government, 1335
Royal Canadian Mounted Police, 2799
Ste. Rose de Watford mail contract, qu. 3209
Secretaries to executives, 1671
Senate and House of Commons Act Amdt. Bill, 653
Special War Revenue Act Amdt. Bill
Consideration of, 3956
Statutory expenditure, 1419
Trade with Russia, 1224
Trent canal, 2960
Unemployment and immigration, 1375

Canso
Harbour, 3983-9
Wharf, and, 3983-9
Marine hospital, 3138
Mulgrave steamship service, 1496

Canteen. *See* War

Canteen Funds, Expeditionary Force, qu. 1133

Cantley, Col. Thomas, qu. 1501, 1609-10, 3407, 3610. *See also* Canadian National Railways

Cape Tormentine, dredging, 1017

Cardin, Mr. P. J. A. (Richelieu)
Government shipyard at Sorel, qu. 568, 2028, 2618
Indian Commissioner at Regina, qu. 964
St. Lawrence river
Deepening, qu. 2028
Dredges and tugs, qu. 568

Cards. *See* Criminal Code Amendments; Three Card Monte

Carillon and Grenville Canals. *See* Canals

Carroll's Landing, wharf, 3977

Car shortage. *See* Railways

Cartier, Dr. A. P., St. Hyacinthe, 3821, qu. 3904

Cartier Square, Ottawa, storeshed. qu. 3208

Cartwright, Sir Richard, 3645

Carvell, Hon. F. B., Chairman of the Railway Commission, 451, 1202, 1690, 1725, 3017

Casgrain, Mr. Pierre F. (Charlevoix-Montmorency)
- Baie Ste. Catherine-Tadoussac
  - Mail service, 4530
  - Steamship service, qu. 734
- Business profits tax, qu. 576
- Canadian Government Merchant Marine, 1907
- Canadian National Railways
  - Baie St. Paul-St. Urbain branch line, 4328
  - Canadian National Railway magazine, 4332
  - Charlevoix station platforms, 4329
  - Directors' salaries, 4315
  - French language, 4329
  - Liquor
    - Seizure at Baie St. Paul, qu. 696
    - Theft at Baie St. Paul, qu. 1132
  - Montmorency county as tourist resort, 4332
  - Quebec and Saguenay station agents, qu. 696
  - Subsidiary companies, 1907
- Canadian Nationals Definition Act, 2032
- Canadian Northern Railway, 1909
- Canadian Pacific Railway
  - Canadian notes refused in United States, qu. 599
- Champlain steamer, 1980, 1983
- Charlevoix County
  - Station platforms, 4329
  - Wharves, 1929, 4536
- Civil Service Commission, proposed abolition, qu. 1381
- Dredging—Baie St. Paul district, 1992
- Embargo on Canadian cattle, qu. 566
- Experimental station—Charlevoix-Montmorency, 943-5
- Foodstuffs, hoarding of, qu. 1347
- Gauthier, Mr. L. J., M.P., qu. 1131
- Grand Trunk loan, 4152-66
- Grand Trunk Railway, reported application for assistance, 1498

Casgrain, Mr. Pierre F.—*Con.*
- Highways, 3032
  - Grants under Act, qu. 567
  - Quebec-St. Joachim-St. Simeon, 3026, 4313
- Immigration Act Amdt. Bill, 3824
- Isle aux Coudres telephone line, 4540
- Lightkeepers' salaries, 1995
- Montreal Post Office Mutual Benefit Association, qu. 567
- Murray Bay-Tadoussac steamship service, 1528, 1822, 1828
- Natural resources
  - M. to adjourn debate neg., 894
- Payments to Postmaster General, qu. 567
- Post Office
  - Mail Superintendents and postal inspectors, qu. 841
  - Religious holidays, 2626
  - Superintendents and inspectors, qu. 965
- Public Works at Murray Bay, etc., qu. 604
- Quebec and Saguenay Railway, qu. 963
- Quebec (city) immigration officers, qu. 1131
- Quebec riots, 1507
- Quebec Steamship Company, 2775, 2941
- Railway securities, provincial guarantees, 2619
- Roumania, interest on advances to, qu. 566
- St. Antoine, Montreal, representation, qu. 577
- St. Catherines Bay-Tadoussac mail service, 4530
- St. Vincent de Paul penitentiary, warden, qu. 575
- Scott Act, suspension of, 3584
- Shipbuilding, 1895, 1929
- Tapley, W. H., case of, res. 970, neg. 974
- Three Card Monte, 1439
- Trent Canal, 2607-17, 2972
- War indemnity, Canada's share, 3583

Casselman, Mr. Orren D. (Dundas)
- Budget, 3195. Congratulations to Minister of Finance, 3195; general election, 3196; tariff a political issue, 3196; protection, 3196; milk products, 3197; free trade arguments, 2197; tariff protection increased in foreign countries, 3198; group system of Government, 3199; Farmers' party, 3200; price-fixing, 3200; conscription, 3200
- Experimental stations in Dundas, 954, 956

Catellier, Mr. Ludger J., 1465

Catholic Electorate. *See* York-Sunbury

Catholic Labour Unions. *See* Labour

Cattle. *See also* Agriculture; Health of Animals
Blood Indian Reserve, qu. 1818-19; *see also* Indians
Feeding, 344
Feeds, exemption of, 3746
Industry, 335
Live, export to Great Britain, 1474
Prize. *See* Agricultural shows
Shipping, 1039
Slaughtered, compensation for, 1061. *See also* Health of Animals

Cattle Embargo, 757, 3532. *See also* Health of Animals; Live Stock; Prime Ministers' Conference
Commission, inquiry, 1072
Promise of removal, qu. 566
Res. (Mr. Smith) 702
Amdt. (Mr. Pedlow) 725
Sub-Amdt. (Mr. Steele) 758, agreed to, 766
Res. (Mr. Lemieux) dropped, 766

Causapscal illustration station, 947

Cedar Posts for Canadian National Railways, qu. 1130

Cement Industry, 3683

Census. *See also* Civil Service (Res. Sir Sam Hughes)
Commissioners and enumerators, qu. 696, 800-12, 1209, 1226, 2098, qu. 3260
Appointment of, qu. 735, 2779, 2843, 2874-82, 3807. *See also* Civil Service Commission
Missisquoi, qu. 1132, 4113
Moncton, 3972
Officials, appointment of, 527, 597, 813, 827, 828, 830, 832
Pontiac, qu. 1127, 1231
Returned soldiers, as, qu. 2097
Industrial, 3490

Cent Coin, 2161

Central Railway Company of Canada, 3716. *See also* Private Bills Discussed

Chabot, Mr. J. L. (Ottawa)
Civil Service, Res. (Sir Sam Hughes) patronage in, 796; Civil Service Commission; ill-founded assertions; importance and variety of duties; organization attitude of Civil Service, 797

Chair. *See* Speaker's Chair

Chairman. *See* Deputy Speaker; Mr. Steele

Challies, Mr. J. B., 1346

Chambers of Commerce. *See* Trade

Chambly Canal. *See* Canals

"Champlain" steamer, 1980, 1983, 1995

Charlevoix County
Station platforms, 4329
Wharves, 1929, 4536

Charny, work at, qu. 1501

Chartered Banks. *See* Banks; Finance

Charters, Mr. Samuel (Peel)
Budget, 3410. Comment on Speech of Mr. W. C. Kennedy, 3410; Rural depopulation, 3411; production per man in agriculture, 3412; tariff and free agricultural implements, 3413; sales tax, 3413; outside capital, 3414

Chaudiere Junction, 1017

Cheese. *See* Dairying Industry

Chemicals for Fertilizers, 3441-2

Cheticamp Fishing station, 1991

Chicago Drainage Canal, 185, 1851, 2225

Chicoutimi
Customs collections, qu. 698
Labour Convention. *See* Labour
Pier, qu. 967
Wharves, 1921

Chief Electoral Officer, 4534. *See also* Dominion Elections Act Amdt. Bill
Reports, qu. 577
To be printed, 731

Chief Justice. *See* Judges Act Amdt. Bill

Chief Whip. *See* Ames

Child Prisoners, 3011

Child Welfare, 3130

China, Importation of Eggs from, qu. 568

Chinese Immigration, 4131. *See also* Immigration

Chinese Immigration Act Amdt. Bill
1r., 3207-3208; 2r., com., 3827; 3r., 3830
Subjects and Sections discussed:
Identity to be established, 3827
Power to arrest, 3829
Prohibited persons, 3839

Chippewa Power Canal, 2444

Chisholm, Mr. Alexander W. (Inverness)
Alcohol for medical purposes, 3729
Bernasconi, Mr., 4088

Chisholm, Mr. Alexander W.—*Con.*
Canadian "Spinner," "Leader," etc., qu. 1382
Census commissioners—returned soldiers, qu. 2097
Chartered banks, taxes paid by, ques. 2192
Cheticamp station, 1991
Dredging, 3983
Fraser, Mr., Collector of Customs, 3082
Grand Etang
Bridge, 3987
Light, 1997, 3987
Harbours and Rivers, estimates, 3975
Highways inspectors, 3023
Illicit liquors, 3082
Inspection of Gas and Gas Meters Bill, 622
Inspectors under Destructive Insect and Pest Act, 1043
Inverness
Fishery overseer, 2178
Harbour, 3985
Public building, 2817
Lobster hatcheries, 4037
Marine hospitals, 3138
Port Hood, wharf, 4104
Port Margaree wharf, 2174
Public Works—Engineering Branch, 4088
Relief of distressed seamen, 4039
Roy Building, Halifax, qu. 3089
Sheridan, Mr. John, resignation, 4503
Trent canal, 2958

Chlorine Gas, 1027

Churchill, Right Hon. Winston and Shipbuilding, 1288. *See also* Prime Ministers' Conference

Cigars and Cigarettes, duty on, 3698. *See also* Tobacco

Citizens' Liberty League, 304

Civil Aviation, 3776. *See also* Air

Civil Service. *See also* Arthur Young & Company; Griffenhagen; Civil Service Act Amdt. Bill; Civil Service Political Patronage; Supply
For individual departments *see* their titles
Appointments
As result of notices sent Members in Quebec, qu. 572
Competitive principle, on, 798
Distribution of, 1045
Dominion Lands Act, under, 4062
Dorchester penitentiary, Warden, 1092, 4467
Fruit inspectors in Nova Scotia, 1042
Gas and Gas Meters Act, Inspectors, 618, 619
Health of Animals, Inspectors, 1057, 1067

Civil Service—*Con.*
Appointments—*Con.*
Justice Department—lawyers, 1077
Member's recommendation, on, 2851-60-79
Militia appointments and dismissals, 2234
Order in Council, by, 1114
Purchasing Commission, 1100
Toronto post office, qu. 734
Trade Commissioners, 1464. *See also* Trade; Customs and Excise Dept. Bill
Veterinary inspectors, 925. *See also* under this head Health of Animals
Woman Supervisor of Immigration, 3058-62
Bonus, qu. 901, qu. 967, 1176, qu. 1350, 1463, qu. 1623, 1948, qu. 2029, 2108-2115, 2236, qu. 3089, 3531, 4120, 4534
Health of Animals, Inspectors to, 1057, 1067
Lightkeepers, qu. 1622
Statement by Prime Minister, 1233
Classification, 817, 1660, 2236, 2842-8, 4465, 4475. *See also* under this title, Reorganization. For classification of the several departments, see their titles
Arthur Young Company, 551, 793, 799, 802, 816, 833, 2781
Board of Hearing, 823, qu. 2820
Bonus and, 1463
Civil Service Executive, 1671
Employment of foreigners, 825
Griffenhagen and Associates, payments to, qu. 575, 793, 833, qu. 4251. *See also* that title
Increase in salaries, 4541
Justice Department, in, 1076
Lightkeepers' salaries, 1995
Public Works, engineers, 2682
Record searcher, 1672
Commission, 825, 829, 835, 836. *See also* Civil Service Act Amdt.; Res. (Sir Sam Hughes); Retirement
Abolition, proposed, qu. 1381
Administration of Retirement Act, 2486-2503
Appointments by, 814, 822, 824. *See also* under this title, Appointments
Bland, Mr. C. H., 2861
Buffer, used as, 830
Certificate of competency, 2832
Cost, 794
Curtailment of jurisdiction, 815. *See also* Civil Service Act Amdt. Bill
Establishment of, 798
Fraser, Mr. Roy, 2860-8
Good work of, 817
Information from, 1336
Nelson, Mr. Christian, 2880

Civil Service—*Con.*
Commission—*Con.*
Organization and duties, 797
Outside Service, and, 794, 815
Promotions, and, 827, 2833-9, 2847-50, 2867-2878, 2885, 4125
Removal of power to make certain appointments, 2778
Report tabled, 4449
Secretary, 2860-9, 2875-81
Competitive examinations, 817
Disabled soldiers, preference, 4049
Dismissals, 2234, 2884
Economy in, 3194, 3439
Efficiency and discipline, 2865
Employees, number, name and classification, 4255
Employment of women, 2286
Examinations, 2178
Competitive, 798, 817
Federal Union No. 66, 795
Fishery overseers, Lunenburg county, 2179
Grain inspectors, 1444
Griffenhagen and Associates. *See under this title* Classification; Reorganization
Halifax platform, 2844
Holidays, religious, 1384, qu. 1499, 2626, 2775, 4484. *See also* Civil Service Act Amdt. Bill
Interim Supply and. *See* Interim Supply
Labour employment bureau, 2852
List, qu. 1349
Manual labourers, 2830-9, 2841-69, 2877-84, 4278-4460
Meetings in Government buildings, qu. 3421
Naval veterans, and, 3686
Organizations, 797, 2850
Outside Service, qu. 2820, 2876-80
Cost of placing under Commission, 794
Railway Department, 1653
Should be taken from Commission, 815
Political partisanship, 828
Political patronage, 2778-81, 2824-40, 2843-6, 2855-83, 3248. *See also* Civil Service Act Amdt. Bill; Speeches on Res. (Sir Sam Hughes)
Census appointments, 800, 806, 808, 809
Committee to investigate, 790
Declaration against, 822
Opposed to, 797
Res. (Sir Sam Hughes) 789; withdrawn, 836
Preference to disabled soldiers, 4049
Prevailing rates of pay, qu. 3089
Printing Bureau, qu. 1234, 2827. *See also* that title
Professional, scientific and technical officers, 2830-43; 2866-84

Civil Service—*Con.*
Reform, 2844-71
Religious holidays, 1384, qu. 1499, 2626, 2775, 4484. *See also* Civil Service Act Amdt. Bill
Reorganization, 1335, 4465, 4541, 4555. *See also* under this title Classification
American firm, employment, 517
Griffenhagen and Associates, 551, 799, 802, 813, 816, 2242, 2623, 2781, 2827, 4117
Officers detailed to assist, 600
Post Office Department, 4514. *See also* that title
Retirement, 2826, 4266. *See also* Civil Service Retirement Act Amdt. Bill
Barsalou, Mr., 2490
Customs and Inland Revenue Dept., 4117
Postmaster at Montreal, qu. 566
Provincial service, 2487-98
Report of Commission on, 1817
Survey staff, 2143
Returned Soldiers and, qu. 963, 2828, qu. 3259, qu. 3531, 4257, 4482. *See also* that title
Rural postmasters, 2829, 2833-41, 2866-84. *See also* Post Office
Superannuation, qu. 734, qu. 967, 2489, 2820. *See also* debates under Civil Service Retirement Act Amdt. Bill; Retirement Fund, taxation of, qu. 1237
Increased allowances to meet cost of living, 2112, 2491, qu. 3903, 4275, 4541
Application for, qu. 2099
Permanent Superannuation Act, 4277
Postmaster at Toronto, 566
Transfers, 2847-85
Unrest in, 795
Federal Union No. 66, 795
Whitley Councils, qu. 2820
Women in, employment, 2286

Civil Service Act, 1918, Amendment Bill
1r., 2865; m. for 2r., 2778, 2823; amdt. (Mr. Maclean, Halifax) 2835; neg. 2887, 2r., 2887; com., 4278-80; 4460; 3r., 4493
Special Committee
Appointed, 2776
Discussed, 2778
First report, 2940
Concurred in, 3005
Second report, 3088
Third and final report, 3901
Discussed, 4278-80
Subjects and Sections Discussed:
Air Force, preference, 4483
Annual report, 4473-81; Amdt. 4482
Commission, jurisdiction of, 4460-82
Commission may make regulations, 4461
Customs officials, 4268

Civil Service Act, 1918, Amdt. Bill—*Con.*
Subjects and Sections Discussed—*Con.*
Dorchester penitentiary, appointment at, 4467
Employees on railways and ships, Act not to apply, 4278-83
Evidence before Special Committee, 4469-80
Exclusion of certain positions from operation of Act, 4281
Foran, Mr. William, 4286
Health Department—Research, 4464-73
Holidays, religious, Amdt. (Mr. Trahan) 4484; neg. 4492
Manual labourers, 4278-4460
Method of procedure, 4257-9
Naval Service, preference, 4482
"Nor in the public interest" Amdt. (Mr. Euler) 4283; 4460-81
Political patronage, 4280
Postmasters, 4278-4460
Professional, scientific and technical officers, 4279-4460
Provisions recommended by Pensions Committee, Res. 4257
Returned soldiers, preference, 4577
Amdt. (Mr. Cronyn) 4482; agreed to, 4484
Roche, Dr., 4287
Section 38, 4460
Senate amendments, 4577
Stayner, postmaster, 4470

Civil Service Association of Canada, 797. *See also* Civil Service

Civil Service Federation of Canada, 797. *See also* Civil Service

Civil Service Retirement Act Amdt. Bill
Res. 2486; 1r., 2503; 2r., com., 4275; 3r., 4278
Subjects and Sections discussed:
Commission to report, 4266, 4277
Continuous employment, Res. 4266
Customs officials, 4268-72
Employees in post offices, 4268
Militia and Defence Dept., 4267-70
Notification of retirement, 4275
Officer, 4277
Officers of House of Commons, 4274
Officials
Permanent Superannuation Act, 4277
Receiving daily wage, 4267-70
Senate amendments, 4544
Sessional employees, 4268-71-74
Special circumstances, 4277
Working part time, 4267

Civil Service Retirement Act, qu. 734

Clapp, Miss S., 1332

Clark, Mr. Hugh (North Bruce)
Civil Service Act Amdt. Bill, 4485
Holidays, religious, point of order, 4485
Income Tax Act Amdt. Bill, 4350
Payments to Justices Riddell and Latchford, qu. 1500

Clark, Mr. Michael (Red Deer)
Address in reply to Governor General's Speech, 397; sympathy with and congratulations to Mr. Bolton; the home market argument, 397; congratulations to Prime Minister—protection, narrow, sectional and local; "National Policy" a misnomer, 398; condition of the country—request for Grain Commission, 399; League of Nations—relations with United States—finance, trade, tariff, "luxury" taxes; production, markets; daylight saving; Board of Commerce; direct taxation; free wheat; Prime Minister's speech on Budget, 1920, 401; taxes difficult to collect, 402; rural depopulation, 403; fiscal policy of Great Britain; excess imports not necessarily adverse balance of trade; excessive borrowings, 405; labour conditions in Great Britain and United States; industries of Ireland; emigration from British Isles; iron and steel, 408; fiscal policy of United States; statement by Mr. Thomas W. Lamont, 409; antiquity of protection; Solomon a free trader; Britain has blazed the trail, 410; amendment to the amendment (Mr. Campbell); the amendment want of confidence in Government; redistribution; proportional representation, 411; the tariff issue, 412; sinking ship, 413; election; Progressive platform; the question before the country, 414
Agricultural publications, 1074-5
Bounties, principle of, 1424
Budget, 3218. Raises a clear issue; Canadian strawberries and grapes, 3218; fiscal condition of Britain; adverse balance of trade, 3219; National policy, debts, and deficits; tariff revision, 3220; taxes upon consumable commodities; three main principles of taxation, 3221; Mr. Fielding's amendment; Protection and Toryism, 3222; needs of the country; trade, increase in necessary, 3223; British trade increased, 3225; cost of living, 3226; building up of in-

Clark, Mr. Michael—*Con.*
Budget—*Con.*
dustries, 3227; taxation of land values, 3229; income tax, 3229; direct taxation, 3230; boots and shoes, 3230; tariff burdens, 3231
Business of the House
Complaint of undue haste, 4451
Duration of sittings, 1330
Wednesday evening adjournment, 1830
Canada-West Indies Trade Agreement, 2253-9
Canadian Government Merchant Marine, 1283
Canadian National Railways
Management, Information, M. (Mr. King) 1191, 1806
Special Committee, reference to, M. (Mr. Meighen) 1769, 1801
Canadian representation in the United States, 2396-2436
Cattle embargo, 704, 728
Civil Service Act Amdt. Bill
Holidays, religious, 4492
Civil Service Retirement Act Amdt. Bill, 4268-73
Criminal Code Amdt. Bill
Crime and sin, distinction between, 3910
Customs and Excise Dept. Bill
Expense, 4395-4400
Fee, who pays? 3806
German reparation, 4429
Imports and exports, 4397
Increase in tariff, 4398
Invoice certificate, fee, 4397
Officials, appointment of more, 4398
Prohibitive legislation, 4420
Prohibitive tariff, 4429
Reparation Act in Great Britain, 4429
Restriction of trade, 4398
Roumania, 4429
Trade agents, 3805
Trade of other countries, 4430
Trade with United States, 4397-4400
Valuation for duty, 4419
Valuation of currency, 4429
Customs Tariff Act, 1907, Amdt. Bill
Imported goods, marking of, 3724, 3939-51
District Engineer's Office, Edmonton, 4543
Estimates, Committee on, 2201
French Trade Agreement, 2131
Highways, 3029, 3032
Construction in Ontario, 4294, 4305
Immigration, 2579-93, 3056-66
Income Tax Act Amdt. Bill, 4344-54
Latitude in debate, 1451
League of Nations, contribution to, 2370

Clark, Mr. Michael—*Con.*
Maisonneuve and Gaspé representation, 2315, 4437
Naval holiday, 4020
Naval Service, 4016-19
"Niobe" and "Rainbow," sale—point of order, 4031
Oleomargarine Act Amdt. Bill, 3853-88
Opium and Narcotic Drug Act Amdt. Bill, 2902
Polish battalion for service in Frency army, 4059
Prime Ministers' Conference, 2639-58
Privilege—report in Ottawa Citizen, 448
Protected industries and export, 3631
Protective policy, 1288
Reciprocity agreement with United States, 2045
Reparations—difficulties between Allied Powers and Germany, 599
Representation in Parliament, 1314
Senate and House of Commons Act Amdt. Bill (Ministers and directorships), 655
Shipbuilding, 1283, 1683, 1866, 1874, 1880, 1917, 1924
Closure, 1931
Newspaper comment, 1934
Progress in discussion, 1938
Soldiers' pensions, insurance and re-establishment, 4059
Taxation, incomes of $200,000 or over, qu. 838
Wheat Board, 1453, 1458

Clarke, Mr. W. A. (North Wellington)
Criminal Code Amdt.—docking animals, 3923

Clark's Harbour, public building, 2817

Classification. *See that title* under Civil Service

Clay. *See also* Natural Resources
Crockery for, 3384-5
Deposits in Saskatchewan, 846

Clements, Mr. H. S. (Comox-Alberni)
Fisheries of British Columbia, 890
Halibut industry, 891
Natural resources, 890

Closure, Rule 17B. 1844. *See also* Interim Supply; Shipbuilding
Government Shipbuilding Programme, 1979-2094
Interim Supply, 2025
Formal motion, 2026; agreed to, 2076
2 a.m. rule, 2094

Clover and Grass Seed, 1109

Coal. *See also* Fuel Supply Problem; Lignite; Mines and Minerals; Natural Resources

Coal—*Con.*
American competition with Nova Scotia, 3295
Canadian-owned railway mines in United States, 4316
Carriage of. *See* Fuel Supply; Railways; Transportation
Consumption in Canada, 1249
Deposits, Alberta penitentiary, 1092
Development, 842, 848
Maritime Provinces in, 1281, 3295
Prices at mine, 1251
Production and value, 3515
Railway rates on, 390. *See also* Railways, Freight rates
Railways, duty on, 1184, 1187
Reserve, 1247-8
Resources in Alberta, 857
St. Lawrence route, by, 1731. *See also* Great Lakes-St. Lawrence
Scarcity of. *See* Fuel Supply Problem
Trade, 1936. *See also* Canadian Government Merchant Marine; Shipbuilding
Wales, from, 1716
Wasting of. *See* Fuel Supply Problem
Water carriage, 2963. *See also* Great Lakes-St. Lawrence

Coastal Trade, 1494. *See also* Shipping

Coats, Mr. R. H., 801, 1231. *See also* Census; Dominion Statistician

Cocaine Imports, 3130, 3170. *See also* Opium and Narcotic Drugs

Cockshutt, Mr. W. F. (Brantford)
Address in reply to Governor General's Speech, 91; tribute to new Prime Minister, 91; speech of Mr. Gauthier, a "family fight"; stability and self-respect of Quebec, 92; price of agricultural implements, 93; Opposition—amendment—the Government's mandate, 94; census, redistribution and appeal to country, 95; Agrarian party; expenditure of Ontario Government, 96; tariff and exchange situation—League of Nations, 97; disarmament, reparations, indemnities—taxation, 98; relations between Canada and the Mother Country—Judicial Committee of Privy Council—Governor General; agitation and unrest, 99; modern fads, 100
Binder twine, 3746, 3493
Brantford Customs office, 3086
Budget, 3488. Congratulations to Finance Minister, 3488; taxation severe, 3488; Leader of Agrarian party and manufacturers, 3489; co-operation between

Cockshutt, Mr. W. F.—*Con.*
Budget—*Con.*
farmers and manufacturers, 3489; industrial census, 3490; agricultural implements and Western Grain Growers, 3492; Binder twine and free trade, 3493; home market, 3494; free trade with Britain, 3494; agricultural implement industry, 3496
Canadian National Railways
Special Committee, reference to, M. (A. K. Maclean), 1612
Canadian representation in the United States, 2402-11
Cattle embargo, 718
Customs and Excise Dept. Bill
Express parcels, 4403
Fee—who pays? 3802, 4402
Invoice certificate, 3802, 4401
Toronto Board of Trade, 4402
Trade
Agents and commissioners, 3802, 4402
Extension, 4403
Director of exporting company, 3564
Dominion Elections Act Amdt. Bill, 308
Dr. Graham Bell's secretary, 2377
Housing, 1150
Income Tax Act Amdt Bill, 4350-3
League of Nations, contribution to, 2360-7
North American Trust Co., 1128
Parliament buildings, 3999
Pensions, widowed mothers, 637
Permanent Court of International Justice, 2724
Proportional representation, 1546
Reciprocity agreement with United States, 2058
References to, 451, 491
Senate and House of Commons (Ministers and directorships) Act Amdt. Bill, 660
Shipbuilding, 1878, 1881

Cocoa
Cocoa paste and chocolate, 3703
Duties on, 3170

Coffee Adulteration, 3141

Coinage. *See also* Currency Act Amdt. Bill
Cent coin, 2161
Gold, melting down, 2160, 2269
Gold, standard, 2269
Nickel, five cent coin, 2160, 2269
Redemption of, 2160

Cold Storage. *See also* Dairying Industry; Health of Animals
Foodstuffs in, qu. 1347
Fruit, 1041
Meat of, 1125
Plants. *See* Live Stock
Warehouses, 1038

Collingwood breakwater, 3973

Collingwood Shipbuilding Company, 1884, 1890, 1902. *See also* Shipbuilding

Colonial Conferences, 3432. *See also* Prime Ministers' Conference

Combines, 3293-5, 3382

Combines and Fair Prices Act, 3606

Commercial Exhibits, director of, 1225

Commercial Feeding Stuffs. *See also* Stock feed

Commercial Intelligence, Director of, 1219

Commercial Museum, 1227

Commercial Relations. *See* Address; Budget; Canadian Representation; Customs and Excise; Reciprocity; Trade

Commercial Treaties, 2378. *See also* Canada-West Indies; French Trade Agreement; Reciprocity

Commission of Conservation. *See* Conservation Commission

Commissioner of Patents, 623
Report, 107

Commissioners, Judges as. *See* Judges Act Amdt. Bill

Commissions of Inquiry. *See* Printing Bureau; Grain Trade

Committee of Supply. *See* Supply

Committee on Imperial Defence, 2637-49. *See also* Imperial Defence; Prime Ministers' Conference

Committee on Railways and Shipping. *See* Canadian National Railways

Committees, Standing. *See* House of Commons

Commodities, Taxes on, 3221. *See also* Special War Revenue Act

Compensation for Slaughtered Animals. *See* Health of Animals

Condensed Milk, tax, 3737, 3956

Confederation. *See* Ministers

Conference on International Finance, report tabled, 962

Confidence Games. *See* Criminal Code Amdt. Bill

Confidential Documents. *See* Canadian National Railways

Confidential Information. *See* Canadian National Railways—Management

Confidential Messengers, 1079-80

Conscription, 3200, 3517, 3528. *See also* Military Service Act; Quebec riots

Consent of the House. *See* House of Commons; Deputy Speaker; Speaker

Consequential Amendments. *See* Corrupt Practices at Elections

Conservation Act Repeal Bill
1r., 3739; 2r., 3958; com., 3970; 3r., 3971

Conservation Commission
Abolition of, 2, 875, 3146, 3739, 3958, 3970-1
Illustration farms, 949-954

Consolidated Revenue Fund, surplus from Grain Board, 1447

Constituent and Subsidiary Companies. *See* Canadian National Railways; Railways

Constitutional Development. *See* Address; Canadian Representation; Ministers; Prime Ministers' Conference

Consular Agents. *See* Customs and Excise Dept. Bill; Trade

Consular Certificates. *See* Trade, Agents and Commissioners

Consuls. *See also* Customs and Excise Dept. Bill
Serbian, at Montreal, qu. 605
United States, in Canada, 2405

Contracts. *See* Purchasing Commission; Shipbuilding

Controverted Elections Act. *See* Corrupt Practices at Elections

Convicts. *See* Penitentiaries

Cook, Mr. Fred, 4541, 4557-60. *See also* Printing Bureau

Cooper, Col. John A., qu. 697, 1713

Cooper, Mr. Hugh L., of New York. *See* Chippewa Power Canal

Cooper, Mr. R. C. (Vancouver South)
Soldiers' pensions, insurance and re-establishment, report, 4055-60

Co-operative Marketing. *See* Live Stock

Copp, Mr. Arthur B. (Westmorland)
Address in reply to Governor General's Speech, 445; Minister of Militia; his

Copp, Mr. Arthur B.—*Con.*
Address—*Con.*
position from 1911 to 1917; an exponent of free trade in natural products; speeches of mover and seconder, 446; the amendment—constitutional position of Government; the written and unwritten laws—Bourinot; moral obligation to appeal to people; Ministers in disagreement—public opinion demands election; the precedent of 1911, 449; War election of 1917—formation of Union Government—retirements, 451; responsibility implies public confidence; Mr. Calder; Mr. Spinney; Postmaster General; Minister of Customs and Inland Revenue, 452; St. John Standard, 453; political conditions 1891 to 1896, 454; returned soldiers calling for election; Great War Veterans Association, 455; strength of the Liberal party, 456
Agricultural estimates, increases in, 951
Air Board, 3783
Amherst drill hall, 2739
Canadian National Railways, 4561, 4338
Employees, reduction in number, 1851
Freight rates, 4562
Maritime Provinces, 4561
Private cars, 4563
Staff, 4562
Census enumerators in Moncton county, 3972
Census officials, 830
Civil Service, political patronage, 830
Civil Service Retirement Act Amdt. Bill, 2489-90
Customs
Belyea, Mr., retirement of, 3082
Offices, amalgamation of, 3083
Customs and Excise Dept. Bill
Amalgamation of departments, 3820
Inland Revenue Act—administration, 3820
Customs Tariff Act Amdt., marking of imported goods, 3949
Debates, translation of French speeches, 701
Dominion Lands Act Amdt. Bill, 4068
Dorchester penitentiary
Purchases for, 1108
Salaries, 1096
Warden, 1092
Dredging, 3982
Forts Cumberland and Moncton, care of, 4540
Fredericton experimental farm, qu. 1131
Grand Trunk loan, 4136-67
Harbours and rivers, 3973

Copp, Mr. Arthur B.—*Con.*
Highways, 3023, 3034, 4290, 4303
Immigration, salaries, 3059
Imperial Mineral Resources Bureau, 2166
Inspection of Gas and Gas Meters Bill
Intercolonial Railway, 4561
Judges Act Amdt. Bill, 2119-20, 2151
Justice Department, private secretaries, 1079
"Laurentian," Government steamer, qu. 1348
Marine signal service, 1998
Moncton, examining warehouse, 2815
"Niobe" and "Rainbow," sale, 4031-2
Parliament Buildings, 4070
Partridge Island quarantine station, 2810
Pilotage, 1999, 2001
Railway Department
Purchasing agent, 1670
St. John and Quebec Railway Bill, 2153, 4564
St. John Rolling Mills. *See* "Niobe" and "Rainbow"
Sackville public building, 2816
Shediac and Cape Tormentine Railway, 4564
Sheridan, Mr. John, resignation of, 4505
Shipbuilding, 1905, 1931, 1935
Wednesday evening adjournment, 1837
Welland canal, construction, 2996

Copyright Amendment and Consolidation Bill, 2, 649
1r., 350; 2r., ref. to Special Com., 2909; com., 3830. 3r., 3850; Senate Amdts. concurred in, 4256
Special Com. appointed, 2941
Report, 3761
Subjects and Sections discussed:
Acts of United Kingdom, 3833-46
Berne Convention, 3833
License to print, 3831-7
Phonographic discs, 3832
Publication in serial form, 3844
Royalty, 3831
Second or succeeding editions, 3840
Suppression of works, 3838

Corn Borer, 1025, 1027, 1031

Corning, W. H., cattle purchases, qu. 1624

Cornmeal, 3546

Correspondence. *See also* Canadian National Railways
Availability to Parliament, 1290-1

Corrupt Practices Inquiries Act
Bill withdrawn, 1126

Corrupt Practices at Elections Bill
1r., 1126-7; 2r., 2036; com., 2036; 3r., 2151
Subjects and Sections Discussed:
Avoidance of election, 2037
Exoneration of candidate from consequence of illegal practices, 2037
Exoneration of any person from consequences, etc., 2037
Illegal practices, 2036
Judge's report published, 2037
Presenting petition, 2037
Punishment of corrupt or illegal practices, 2037

Cory, Mr. W. W., and Immigration Department, 3056

Cost of Living, 3169, 3226, 3256, 3548, 3606, 4551. *See also* Address; Budget; Civil Service Bonus; Customs and Excise Dept. Bill; Superannuation, Increased allowances

Cote, Hon. Mr., Provincial Secretary, Alberta, 1266

Coughlan Shipbuilding Company, 1890

County Fairs. *See* Agricultural Shows; Live Stock

Courtenay Bay, improvements, 4097. *See also* St. John Harbour

Cowan, Mr. G. H., K.C., legal expenses, 2187

Cowan, Mr. Walter D. (Regina)
Address in reply to Governor General's Speech, 165; Canada at Assembly of League of Nations—election—agitation and unrest, 165; abnormal business conditions—visit of leader of Opposition to western provinces; the tariff, 166; newspaper comment; opinions of business men and returned soldiers, 167; omission of tariff from amendment; unfair to hold election before redistribution, 168; duty on fruit; express rates; Scientific and Industrial research, 164
Agrarian party and Wheat Board, 1455
Briquetting plant at Bienfait, qu. 673
Budget, 3375. Congratulations to Minister of Finance, 3375; attitude of Opposition and Agrarian party, 3376; Agrarian party and free trade, 3376; loan to Belgium, 3377; agricultural machinery and the tariff; 3379; Customs duties and manufacturers, 3380; free trade and combines, 3382; price-fixing ring in Great Britain, 3383; protective tariff and Western Canada, 3384; agricultural implements, duty on, 3386-7

Cowan, Mr. Walter D.—*Con.*
Canadian Northern, Craven line, 3053
Canadian Wheat Board, qu. 340, 341, 1452, 1455
Flax-growing, 1396
Fuel Supply Problem, 1266
Great Lakes-St. Lawrence waterway, 685
Natural resources, 845
Saskatchewan militia organization, 2795-6
Trade commissioners, 1392

Cow-Testing Associations, 1036

Creamer, Dr. J. P., qu. 1236

Creameries. *See* Dairying Industry

Cream Separators, 3328, 3364, 3495, 3481, 3508. *See also* Agricultural Implements

Credits. *See* Finance; Housing; Loans

Crerar, Hon. T. A. (Marquette)
Address in reply to Governor General's Speech, 262; congratulations to Prime Minister; to mover and seconder; the Speech a meagre bill of fare—freedom from unrest; Speeches of the Prime Minister; fishing in Quebec; unemployment insurance and old age pensions; tariff revision, 263; protection to agriculture; revenue, 264; finances; necessity for economy; expenditures, 265; naval and militia votes; trade and exchange; Great Britain, Australia, and United States, 266; need for extended markets; reciprocity, 267; commercial agents, 268; national railways; deficit; special committee suggested; reorganization of board of directors; immigration, 269; Prime Ministers' Conference; Imperial defence; the amendment; Government has lost confidence of country; by-elections; reorganization of Government, 271; redistribution; serious problems, 272
Archives, provision for, 2951
Budget, 3476. Reference to previous speakers in debate; national debt and Finance Minister's surplus, 3476; revenues and expenditures, 3477; maturing loans, provision for, 3478; Agrarian party—"servile tools and minions"—3479; York-Sunbury election. Government platform, 3480; Binder twine industry, 3481; cream separators, 3481; tariff revision, 3482; adverse exchange and protection, 3482; export trade, 3483; boot and shoe industry, 3484; Sherwin-Williams Paint Company, 3484; sales tax, 3485; income taxes in

Crerar, Hon. T. A.—*Con.*
Budget—*Con.*
Canada and Great Britain, 3486; land taxation, 3486; agricultural products; restricted market and decline in value, 3487; rigid economy in expenditure necessary, 3487
Business of the House
Audibility of debates, 1625
Saturday sittings, 2818
By-elections
Medicine Hat, 2151
York-Sunbury, 3480, 3628
Canada Temperance Act, 4379
Canadian National Railways
Lord Shaughnessy's letter, 2503
Management — Information, M. (Mr. King) 1187
Special Committee
M. (Mr. Maclean) 1184
M. (Mr. Meighen) 1776, 1804
Amdt. 1812, 1813
Canadian Representation in the United States, 2412-17
Canal tolls, 2964
Civil Service Act Amdt. Bill, 2835-66
Deceased members, tribute to, 153
Destruction of documents, 2951
Dominion Elections Act Amdt. Bill, 4239-41
Additional courts, 3111
Alien wives of British subjects, 3106
Certificate of naturalization qualification, 4240
Forms, 4240
Government terminal elevators—overages, 3634
Governor General, address to on retirement, 4434
Grain Growers Grain Company, 3180
Grain inquiry
Proposed commissioners, 1674
Grand Trunk Arbitration Bill, 2449-59
Great Lakes-St. Lawrence waterway, 689
Highway construction in Ontario, 4294-6
Hudson Bay Railway, 998
Income Tax Act Amdt. Bill, 4345
Judge Snider's report, 4436
Lake of the Woods Control Board Bill, 2351-2
Lake of the Woods Regulation Bill, 4184-4224
Migratory Birds Convention Act Amdt. Bill, 2891
Natural resources—transfer to western provinces, 2529-46
Navigation, season of, 1994
Owens, the late Thomas P., Editor of Debates, 259
Post Office Department, 4519

Crerar, Hon. T. A.—*Con.*
Proportional representation, 1545, 1546
Railway Commission, vacancy, 3021
References to, 367, 372, 390, 395, 438, 450, 515. *See also* Speeches on Address; Budget
Resignation of, letter, Sir Robert Borden, 516
Senate and House of Commons Act Amdt. (Ministers and directorships) 662
Senate Committee, leave to attend, 3207, 3259
Shipbuilding, attitude on, 1978, 2082
Speaker's Chair, presentation of, 3694
Trent canal, 2971-8
Welland canal, 2974
Wheat Board, position with regard to, 1452
York-Sunbury election, 3480
Debates, official report of, changes in, 3628
Reference to by Mr. Stevens, 3627-8

Criminal Cases
Appeals, 3006
Procedure, 3006

Criminal Code Amendment Bills
1. Aliens and Firearms (Mr. Currie) 1r., 2373; Bills withdrawn, 2560; (See Bill No. 7)
2. Excessive or Inadequate Punishments (Mr. Tweedie) 1r., 695; M. for 2r. stands, 1856, 1857, 2228
3. Defamatory Libel. (Mr. Archambault) 1r., 2149, 3933
4. Probation of Offenders. (Mr. Mowat) 1r., 2097. (See No. 7)
5. Three Card Monte (Mr. Lafortune) 1r., 1439; 2r., 1857; com., 1857-58; 2555; (See No. 7)
6. Warrant of Commitment (Mr. Mewburn) 1r., 2686
7. Age of Consent; Firearms; Motor Car Theft; Recorder's Court Jurisdiction; Seduction; etc. (Mr. Doherty) 1r., 3005-7; 2r., 3830; com., 3830-96; 3906; 3r., 3938; Senate Amdts, concurred in, 4342

Subjects and Sections discussed:
Animals, docking, 3922-36, 4343
Carnally knowing, 3912, 4342
Chattels, $25 in value, fraudulently burning, 3922, 4343
Clerk or Deputy Clerk of Peace, 3936
Commencement of Act, 3932
Concealed weapons, pistols, ammunition, etc., 3900-33
Disorderly house, 3925
Dogs—docking, 3936
Driving motor vehicles while intoxicated, 3911

Criminal Code Amendment Bills—*Con.*
Subjects and Sections Discussed—*Con.*
Falsely registering at hotel as man and wife, 3909
Feeble-minded, 3896-3932
Forms, 3932
Horses, docking, 3923
Illicit connection with Indian woman 3907
Indecent assault—age raised from 14 to 16, 3911, 4342
Location of land, 4343
Marks made on public stores, 3921
Metal tokens used as money, 3923
Offender under suspended sentence may be placed on probation, 3931
Officials stealing fares, 3925
Penalty for injuring oil wells, etc., extended to gas wells, 3922
Publication of Judicial Proceedings—Defamatory libel, 3933
Rape—whipping added to punishment, 3912
Reading depositions on preliminary inquiry, 3924
Recorder's Court, 3899
Revising of sentences, 4343
Seduction and carnal knowledge, 3899, 4342
Spanking—persons under 21 and guilty of theft, liable to, 3918
Stealing automobiles, minimum sentence for, 3913
Three Card Monte, 3921
Whipping for robbery and assault with intent to rob, 3922
Witness fees, 3937

Cromwell's Navigation Act, 1872

Cronyn, Mr. Hume (London)
Bankruptcy Act Amdt. Bill, 2922
Civil Service Act. Amdt. Bill
Air Force, preference, 4483
Returned Soldiers, preference, Amdt. 4482, 4493, 4577
Housing, 1146
National Research Institute, 886, 2695
Natural resources, 885
Pension Act Amdt. Bill, 4366-73
Pensions, widowed mothers, 633, 4369
Polish battalion for service in French army, 4055
Returned Soldiers' Insurance Act Amdt. Bill, 4262, 4356
Returned Soldiers
Special Committee on Pensions, Insurance and Re-establishment

Cronyn, Mr. Hume—*Con.*
Returned Soldiers—*Con.*
Motion for adoption of report, 4041-55.
See also Returned Soldiers, Special Committee Civil Service
Quorum, 901

Crop Reports, 1116

Crops, Loss of through insect pests, 1028

Crowe, Mr. S. J. (Burrard)
Currency Act Amdt. Bill, 2269

Crown, taxation of the, 3742

Cruelty to Animals. *See* Criminal Code Amendment Bill

Currant Boxes. *See* Berry Boxes

Currency Act Amendment Bill
Res. 2160; 1r., 2162; 2r., com., 2269; 3r., 2270

Currie, Mr. J. A. (North Simcoe)
Adams, Capt. Henry C., qu. 1237
Armistice Day Bill, 3776
Australian and New Zealand trade, 1223
Automobile theft, 3914
Bankruptcy Act Amdt. Bill, 2925
Berry Boxes, 4115
Business of the House, 1831
Supply, procedure,
Discussion not in order, 1217
Hypothetical questions, 1217
Canadian Manufacturers and American markets, 1223
Canadian National Railways
Management—Information, M. (Mr. King) 1194
Cattle embargo, qu. 714
Chief Justice, income tax and, 1566
Chinese Immigration Act Amdt. Bill, 3828
Civil Service Act Amdt. Bill, 2825-48-83, 4283, 4466-93
Annual report, 4473
Holidays, religious, point of order, 4485
Returned soldiers—preference, 4493
Stayner postmaster, 4471
Copyright Amendment and Consolidation Bill, 3835-41
Criminal Code Amdt. Bill, 3900-34
Firearms, 2373, 2560
Customs and Excise Dept. Bill
Commercial agencies, 1408
Consular certificate, 4408
"Dick Turpin"—point of order, 4421
Dumping of goods, 4412
Invoice certificate, fee, 4391

Currie, Mr. J. A.—*Con.*
Customs and Excise Dept. Bill—*Con.*
Trade, extension, 4408
Valuation for duty, 4412
De Martigny divorce, 3764-9
Destruction of documents, 2950-3
Dominion Elections Act Amdt. 309
Dredging, 3982
Foreign trade commissioners, 1223
French Trade Agreement, 1175
Gaspé Peninsula, railway facilities, 2509
Geodetic survey, 2806
Geological survey, 2145-7
Grain
Grain Growers Grain Company, 1462
Open market in, 1452
Harbours and rivers, 3979
Highland regiments, 2307
Highway construction in Ontario, 4296
Income Tax Act Amdt. Bill, 4353-5
Lake of the Woods Control Board Bill, 2355
League of Nations, contribution to, 2365-73
Letter rate, 4517
Linen trade, 1391
Maple Products Act, 1920, Amdt. Bill, 2558, 2890
Militia
Command pay, 2292
Purchasing Commission, 2239
Topographic Survey, 2806
National Expenditures Committee, 1835
National Transcontinental Railway—Winnipeg-Quebec service, 2516
"Niobe" and "Rainbow," sale,—point of order, 4030
Opium and Narcotic Drug Act Amdt. Bill, 2899-2905
Parliament buildings, 4076
Letter of Hon. George Brown, 4001
Post Office, Col. Verret, 4525
Potato growing and diseases, 1033
Press—publication of court proceedings, 3933
Prime Ministers' Conference, 2669
Soldiers' pensions, insurance and re-establishment, 4059
Spruce forests, bud worm, 1031
Trade agents, 1478
Trade with Fiji Islands, 1465
United States, exports to, 1222
Wednesday evening adjournment, 1831
Welland canal, construction—point of order, 2989
Wheat Board, loss under, 1457-9
Wheat, purchase by Great Britain, 1449

Customs. *See also* Customs and Excise Dept. Bill; Customs Tariff, 1907, Amdt. Bill; Tariff
Brokers'
Licenses, 3786
Payments to by departments, 1090
Drawbacks, qu. 2375
On fish from United States, qu. 600
Entry, 3786
Foreign monetary standards, qu. 1133
Importations
Foreign goods, 3119
From Germany, qu. 696
Marking of, 3120
Reported increase in, 597
Revenue by provinces, qu. 1622
Value for duty, 3786-3819
Valuation of currency, 3786-3818

Customs and Excise Dept. Bill
Res. 3785; 1r., 3822; 2r., com., 4388; 3r., 4453
Subjects and sections discussed:
Certificate, form of, 3788
Certificate of trade or consular agent, 4389
Commission, 4388
Consular agents, 3791
Cost of production in foreign country, 4411
Customs house brokers, 4432
Department constituted, 4388
Entry, 4389
Exchange—tariff rates on foreign goods, 4421
Express parcels, 4400
Fee for invoice certificate, 4389
Who pays?—3792-9, 4391-5, 4400-9
German competition, 4423
German mark, depreciation, 3810-19
Invoice certificate, 3786-3809, 4391-5, 4400-9
Minister's duties, powers and functions, 4389
Molasses wash, for hog feed, 3787-3820
New or unused goods, 3813
Proclamation of Act, 3798, 4391-4
Provincial analyst, certificate, 3786
"Reasonable profit under the circumstances," 4415
Restriction of trade, 4398
Letter of Gillies Bros., Limited, 4418
Revenue, expenditure, 4397-9, 4403
Still—innocent manufacture of part or possession, 3788-3820
Third reading, complaint of haste, 4449
Trade agents, 3786-3809
Trade, extension of, 4389
United States Customs regulations, 4417
Valuation for duty at not less than wholesale price, 4411
Valuation of currency, 4420

Customs and Inland Revenue
Department
Board of Customs, 4126
Consolidation of offices, 3083
Estimates, 2889, 3077, 4117
Inspectors, 4126
Officials
Merchandise, branding of. *See* Customs Tariff Act Amdt. Bill
Overtime, 4123-5
Reorganization, 804
Retirement, 2490-7, 2502, 4268-72
Salaries and contingent expenses, 2889, 3081, 4117
Staff, reduction, 4117
Toronto, 1351
Revenue cruisers and preventive service, 4127
Minister, private business connections, 3077, 3172

Customs Tariff Act, 1907, Amdt. Bill
Res. 3121, 3698; 1r., 3725; 2r., com., 3938; 3r., 3955
Subjects and sections discussed:
Anodynes, elixirs, etc., 3709
Imported goods to be marked, branded or labelled, 3711-19, 3938
Spirituous liquors, 3708-8
Sugar, 3699
West Indian importations, preference, 3698
Wines
Medicinal, 3709
Other than sparkling, 3710
Sparkling, 3711

Dairy Cattle. *See* Health of Animals; Live Stock

Dairy Herds, testing of, 1118

Dairying Industry, 1036, 3118. *See also* Address; Budget; Dairy Produce, Grading; Oleomargarine
Butter
Material for substitutes, 3745
Price of, 3190, 3256
Production, 3118
Butter and Cheese
Exports and imports, 1037, 1470, 1471, 3747-50, 3852-88, 4438
Cheese factories, 1472
National Dairy Council, 1126

Dairy Produce, Grading Bill
Res., 1r., 3760; 2r., com., 4439; 3r., 4448
Subjects and sections discussed:
Butter and cheese, export, 4437
Complaint of undue haste, 4449
Definitions, 4437

Dairy Produce Grading Bill—*Con.*
Subjects and Sections Discussed—*Con.*
Demand for legislation, 4437
Regulations, 4448

d'Anjou, Mr. Emmanuel (Rimouski)
Address in reply to Governor General's Speech, 137; right of Mr. Mackenzie King to lead Liberal party—overtures of Government to Province of Quebec; the French language, 138; Government without authority to carry on administration; Prime Minister the author of iniquitous laws, 139
Agricultural shows, 1240
Debates, translation of French speeches, 700
Experimental station in Rimouski, 954
Lightkeepers' salaries, 1995
Military expenditure, 2801
Shipbuilding, 1924

Dark Lantern Brigade, 1187, 1192, 1209, 1282

Davidson, Mr. A. L. (Digby and Annapolis)
Annapolis public building, 2743
Apple-growing counties of Nova Scotia, 1046
British preference and free trade, 3666
Canada Temperance Act—relevancy, point of order, 4383
Canadian Wheat Board, participation certificates, 341
Guernsey cattle at Nappan, qu. 2686
Highways expenditure, 2555
Proportional representation, Special Com., 2027
Reference to Hon. Mr. Mackenzie King in speech, 2443

Davie Shipbuilding Company, qu. 1348, 1846, 1972

Davis, Mr. F. L. (Neepawa)
Address in reply to Governor General's Speech, 483; congratulations to Prime Minister; "no man's land"; formation and composition of Government; out of touch with electorate, 483; Progressive platform; Liberal party; tariff "opportunism"; transportation; Committee on Estimates; Imperial relations; excess profits tax; demand by western provinces for natural resources, 484; redistribution and election, 485
American immigration, 3064
Budget, 3262. Business and financial depression, 3262; business profits and income tax, 3262; heavy freight rates, 3263; adverse balance of trade, 3264; exchange variation, 3264; debts and

Davis, Mr. F. L.—*Con.*
Budget—*Con.*
obligations, 3265; United States, borrowings from, 3266
Canadian National Railways
Management—Information, M. (Mr. King) 1193
Special Committee, reference to, M. (Mr. Meighen) 1793
Civil Service Act Amdt. Bill, 4283
Customs and Excise Dept. Bill
Cost of production, 4413
English bankers on trade restriction, 4412
Exchange, 4413
Foreign goods, cost of production, 3814
German goods via Holland, England and the United States, 4427
Money—purchasing power and exchange value, 4427
New and unused goods, 3815
Valuation for duty, 4412
Valuation of currency, 3816, 4427
Wages, 4428
Customs Tariff Act, 1907, Amdt. Bill, imported goods, marking, 3940
Estimates, Committee on, 484, 2197
Grand Trunk Arbitration Bill, 2458-70
Grand Trunk loan, 4146
Hudson Bay Railway, 994, 2969
Lake of the Woods Regulation Bill, 4220
Militia—reduction of staff, 2241
Natural resources—transfer to western provinces, 2537
Proportional representation, 1542
Welland canal construction, 2967-8
Wheat Board, unified buying, 1459

Dawson, Judge at, 1088

Daylight Saving, 401, qu. 1817
Ottawa, in, qu. 2687, 2776

Dease and Stikine Rivers, qu. 1133

Debates, Official, Report of. *See* House of Commons

Decayed Pilots, 2000. *See also* Pilots

Dechene, Mr. A. M. (Montmagny)
Agricultural Gazette, 1076
Agricultural shows, 1243
Board of Trade forms in French, 2819, 3320
Budget, 3466. Government system of taxation; war profits tax and large companies; income tax, 3467; Yamaska election, 3467; railway administration, 3469; fire insurance in foreign firms, 3469

Dechene, Mr. A. M.—*Con.*
Butter
Exports, 1037
Price of, 3256
Butter and cheese exports, 1471
Civil Service
Bonus, 4535
Classification, 4541
Dairy Products Grading Bill, 4446
Government shipbuilding programme, 2094
Immigration, salaries, 3057
Militia employees, 2241
Montmagny—railway shed accommodation, 4570
Oleomargarine Act Amdt. Bill, 3759, 3860
Post Office, Isles aux Grues-Montmagny service, 4529
Potato diseases, 1032
Public Works—Nova Scotia, 2754
Special War Revenue Act Amdt.
Missals and prayer books, 3756
Prayer beads and crucifixes, 3756
Sales tax, 3757
Supply—point of order, 2759

Decorations, foreign, to Canadians, qu. 1132

Defamatory Libel. *See* Criminal Code Amdt. Bills

Delinquent Children, 3012. *See also* Juvenile Delinquents

Delisle, Mr. M. S. (Portneuf)
Cabinet Ministers and Post Office Dept., qu. 1349
Canadian National Railways
Conductors and brakemen discharged, qu. 1622
Post Office Department—reorganization, 3772

De Martigny Divorce. *See* Private Bills Discussed

Demers, Mr. M. J. (St. Johns and Iberville)
Address in reply to Governor General's Speech, 232; congratulations to mover and seconder; general election, inevitable, 232; circumstances under which Government was formed; manipulation of soldier votes in 1917; no relief until constitutional government restored: Prime Minister's attitude towards Quebec, 233; all classes anxious for general election; necessity for rigid economy, 234
Budget, 3437. Financial and economic condition of country, 3437; railway deficit,

Demers, Mr. M. J.—*Con.*
Budget—*Con.*
3438; shipbuilding, 3438; military expenditure, 3440; economy in public affairs, 3440
Deposits outside Canada in Canadian banks, qu. 1623
Fort Lennox, Isle-aux-Noix, sundial, qu. 2097
Pecuniary Claims Convention, qu. 736, qu. 1817; qu. 2027
Permanent Court of International Justice, 2718-22
St. Jean Post office, receipts, qu. 576

Demobilization, 2285, 3523. *See also* Soldiers Civil Re-establishment; Special Committee on Pensions, Insurance and Re-establishment.
Canadian claims against Germany, 4534. *See also* Germany
Enemy debts, 4534
Public Works, 3989

Democratic Government. *See* Ministers

Demography, Chief of, 1232

Denis, Mr. J. J. (Joliette)
Address in reply to Governor General's Speech, 539; French language; speech of Prime Minister a document without fragrance, flavour or taste, 540; the new Government and the old; Prime Minister's tour; general election; position of Government precarious and humiliating, 541; province of Quebec, 542; League of Nations; French speaking representatives; International Labour Conference, 544; financial position of Canada, 545; amendments, 546; ten years without an election; the one issue of 1917; fiscal policy, 547
Alcohol, tax on, 3732
Budget, 3575. Approved by industrial interests, 3575; sales tax bears heavily on working classes, 3576; tax on spirits, 3576; railway situation, 3577; immigration policy, 3580; military expenditures, 3580
Business of the House
Duration of sittings, 3733
Private Bills, 3971
Canada-West Indies Trade Agreement, 2257-8
Canadian National Railways
Joliette bridge, 3038, 4320
Canadian Representation in the United States, 2419-21
Census commissioners in province of Quebec, 832

Denis, Mr. J. J.—*Con.*
Chinese Immigration Act Amdt. Bill, 3828
Civil Service Act Amdt. Bill, 2865
Civil Service, political patronage, 831
Criminal Code Amendment Bill, 3830
Customs and Excise Dept. Bill
Valuation of currency, 3818
Dairy Produce, grading Bill, 3760
Debates, official, distribution of, 2221
De Martigny divorce, 4002-6
Estimates in French, 1385
Grand Trunk loan, 4159-62
Highways, Quebec, 4308
Immigration, 2598, 3088
Immigration Act Amdt. Bill, 3825
Income Tax Act Consolidation, 2819, 3905
Oleomargarine Act Amdt. Bill, 3759, 3877, Amdt. to 2r., 3879, neg. 3886
Privilege—Immigration, remarks on, 3088
Proportional representation, 1543
Quarantine stations, 2811
Special War Revenue Act Amdt. Bill
Amendments, 3755
Lumber, tax on, 3756-7
Sales tax, 3755

Departmental Expenditures. *See also* Supply, Depts.
Detailed information, 1186-7

Departments
Purchasing Commission, 1099
Supply, right of discussion, 1215. *See also* Supply

Deportation of Undesirables. *See* Immigration Act Amdt. Bill

Depot Harbour, wharf, 3973

Deputy Governor General, 1559

Deputy Speaker and Chairman of Committees (Mr. George H. Boivin)
Rulings and Statements of. *See also* House of Commons; Speaker
Amendment
Changing destination of vote, 4169, 4289
Mover may not speak second time without consent, 727
Sent across floor, 764
To Public or Government Bill, 4485
Announcement by Minister in Committee, of Governor General's assent, 4169
Bills
Amendments
Involving or increasing charge on public revenue, 4359, 4485-91
Negativing principle, 3895
Which do not alter principle, 4355
Committee
Discussion of principle in, 779
Notice of amdt. to public or government Bill not required, 4485

Deputy Speaker and Chairman of Committee (Mr. George H. Boivin)—*Con.*
Rulings and Statements of—*Con.*
Bills—*Con.*
Committee—*Con.*
Principle having been adopted discussion must be relevant to clause 4466
Question put and declared carried, 4488
Title cannot be changed in, 2033
Two questions cannot be considered at same time, 4229
Consideration of clauses en bloc, 3956
Introduction of
No debate allowed, 3007
Motion to strike out section not in order, 3952
Permissible to move consideration clause by clause, 3956
Private
Com. must first report progress and motion to refer back will be in order, 1130
Precedence only for first hour on Friday night, 4010
Recommendation for change of title, 1096
Right
To hear evidence, 3768
To refer back, 1130, 3768
To review action, 4004
Senate amendments, non-concurrence in, reasons, 3010
2r.,
Analysis of clauses on, 2832
Objection to Bill not being printed in both languages must be raised before, 1095
Order for, stands, 1857
Questions and comments not in order, 2834
3r.,
Amendment, notice of, 3421
Change of title, 1096
Chair
Cannot oblige Minister to give answer unless he so desires, 1908
Rulings of subject to judgment of House, 3562
To be addressed by Members, 1066, 1896, 3468, 3530
Closure. *See that title*
Minister's right to speak exhausted, 2080
2 a.m. rule, 2094
Committee
Discussion must be strictly relevant, 1570, 1995

Deputy Speaker and Chairman of Committee (Mr. George H. Boivin)—*Con.*
Rulings and Statements of—*Con.*
Committee—*Con.*
Evidence taken in Court not to be used as argument, 3769
Forms adopted can only be reconsidered by unanimous consent, 4229-49
Having agreed to report, member's opportunity to speak has passed, 4275
Item declared carried after question put, 1091
No item before Com., debate not in order, 1090
Principle of Bill may not be discussed, in, 779
Vote in, 2756
Correspondence reflecting on members, 2176
Debate
Confined to specific items in Com. of Supply, 944
Details of railway administration, 747-8
Interjection of remarks during, 914
Limitation on Appropriation Bill, 2103
Motion for adjournment negatived, mover precluded from continuing, 894
Motion to adjourn by member closing discussion, 999
Debates, Official report of
Statement not read, insertion of, 472, 3270
Decorum—conversation, 272, 528, 3619, 3832, 3982, 4145
Interruptions—members should ask permission, 3215
Language
"Flippant" and "disrespectful", 2746
"Gentlemanly", 3553
"Misstatement", 2321
Letter already read may not be read again, 3080
Member
Attack or reflection on, 4297
Exhausting right to speak, 1650
Has no right to consent to irregularity in debate, 914
Lecturing another, 4078
May comment on letter but not read it again, 3080
May not question ruling, 3003
May speak to point of order, 1217
Minister having floor, member may not ask questions, 1867
Misstatement or untruth, 3615
Must accept statement of Minister, 3080

Deputy Speaker and Chairman of Committee (Mr. George H. Boivin)—*Con.*
Rulings and Statements of—*Con.*
Member—*Con.*
Must not entirely forget subject under discussion, 996
Must rise to ask questions, 3216, 3553
Putting question without giving opportunity for reply, 4471
Right to close debate, 1528
Right to state point of order, 2322
Should speak to question, 1898
Sitting not entitled to answer question until member speaking yields floor, 4402
Two members cannot occupy floor at same time, 4467
Message from Governor General, 4169, 4289
Ministers
Comparison between, 3944
Official conduct of, 3079
Motions
Amended
Purchasing Commission, 2020
In absence of notice require unanimous consent, 3088, 3259, 3582
Mover to close debate, 2206, 2210
Negative, not in order, 2920, 3952, 4411
Non-debatable
Adjournment, for, 2148
That Committee rise, 2230, 2774, 4203
That further consideration be postponed, 1389, 2025, 3716
To refer back, 1130
Non-debatable subjects
Already debated, 2406
Notice of Motion
Action on does not imply acceptance of principle, 584
Order—Point of
Attacks or reflections on judiciary, 1570
Denial does not constitute, 2322
Discussion, 1218
Interim Supply, 2011
When raised members must confine remarks to it, 2009
Pairs—none in Committee, 4531
Previous debate, 3533, 3562, 4212, 4401
Questions
Not relevant, may be asked by consent, 2113
Not in order on item, 3065
Relevancy, 1035, 1345, 1571, 1772, 1898, 2113, 2175, 2405, 2747, 2751-59, 2761, 2916, 2966, 2990, 3003, 4158, 4313
Canadian National Railways, directors, 1667

Deputy Speaker and Chairman of Committee (Mr. George H. Boivin)—*Con.*
Rulings and Statements of—*Con.*
Relevancy—*Con.*
Discussion of "Niobe" and "Rainbow" on estimate for Royal Canadian Navy, 4031
Highway construction in Ontario, 4293-6
Income Tax Act Amdt. Bill, 4354-5
Interrogation of Govt. on estimates to be taken up, 1218
Question not in order on item before Chair, 1669, 3065
Resolutions
Amendments to not reported, 3755
Consideration, item by item, 3026
Ruling may be appealed but not questioned, 779
Speaker's Chair, speech on presentation, 3691
Notice of presentation, 3688
Statement not a question, 4056
Supply
Agreement as to contentious items, 4538
Amendment changing destination of vote, 4169, 4289
Amendments in—discussion must be relevant, 1191, 1583
Announcement of consent of Governor General, 4169, 4289
Discussion confined to specific item, 944, 919, 3066
Government orders may be called in sequence as Government think fit, 962
Individual items, motion to strike out, 3015
Interim
Further consideration of item postponed, 1682
Motion, 1674
Notice not required, 1676
Resolution can only be considered by unanimous consent, 1680
Item by item, 3014, 3132
Item disposed of discussion not in order, 1090
Latitude of discussion, 3014
Liberty to discuss any subject on item allowed to stand, 4033
Minister in order in asking that item be called, 961
Mounted Police not to be discussed on Militia Estimates, 2799-2801
Motion that item be struck out, not in order, 2617
Questions not in order, 1653, 3056

Deputy Speaker and Chairman of Committee (Mr. George H. Boivin)—*Con.*
Rulings and Statements of—*Con.*
Supply—*Con.*
Railway items to be considered separately, 3048
Reverting to previous item, 2163
Rule 17C, Estimates on Thursdays and Fridays, 959, 961, 962, 1677
Unanimous consent, 1026, 1074-6, 1677, 1680, 3088, 3259, 3582, 3725, 3849, 3936, 4245, 4489-92
Vote in Com., hearing question, 2756
Vote, to be counted, five members should rise, 1068

De Salaberry, Miss, 4070

Desaulniers, Mr. Arthur L. (Champlain)
Military Service Act—Mr. R. A. Stewart, qu. 2028
Privilege—name omitted from division list, 4255
Rural Mail routes, qu. 605
Stewart, Mr. R. A., qu. 2028, qu. 2343

Desjardins, "Ti-Noir," 1515, 3562

Deslauriers, Mr. Hermas (St. Mary)
Bonus to letter carriers, qu. 967
Canadian National Railways, locomotives at Parent, qu. 963
Prime Ministers' Conference, 2554, 2672
Shipbuilding, 1966
Unemployment, suspension of immigration, M, 1351

Destructive Insect and Pest Act, 1027, 4512. *See also* Entomology

Destruction of Public Documents. *See* Printing Bureau

Desy, Mr. Justice, 1569

Detroit River, 1996

Devlin, Mr. Emmanuel (Wright)
Address in reply to Governor General's Speech, 57; complimentary reference to Minister of Trade and Commerce, 57; official languages, League of Nations; reply to Prime Minister; status of the Government; no precedent for present situation; the tariff, 58; financial, agricultural and industrial conditions consequent on war; Government by Order in Council; voice of the people stifled; agricultural growth of Quebec, 59
Dominion Elections Act Amdt. Bill, 260
Experimental Station in Wright, 922
Georgian Bay Canal, 679
Great Lakes-St. Lawrence waterway, 679

Devonshire, Duke of. *See* Governor General

Dick Turpin, 4421

Dillon, Mr. Gerald, Purchasing Agent, 1079

Direct Taxation. *See* Taxation

Directors. *See* Canadian National Railways

Directorships. *See* Ministers and Directorships

Disarmament, 98, 3150, 3418. *See also* League of Nations

Discrimination in Rates. *See* Railway Act Amdt. Bill

Diseased Herds. *See* Health of Animals

Disfranchising Act, 1r., 1126. Bill withdrawn, 1126

Disputed Accounts. *See* Pecuniary Claims Convention

Disraeli, Benjamin, and Proportional Representation, 1552

Divisions. *See* House of Commons

Divorce, 228, 4474. *See also* De Martigny

Dockages, 3633-34. *See also* Grain and Grain Trade; Wheat

Docking Animals. *See* Criminal Code Amdt. Bill

Dockyards, 4017-36. *See also* Drydocks

Documentary Evidence. *See* Canada Evidence Act Amdt. Bill

Documents
Access to, 1286
Production of. *See* Canadian National Railways
Public, destruction of. *See* Printing Bureau

Doherty, Right Hon. C. J. (Minister of Justice)
Address in reply to Governor General's Speech, 188; speech of Mr. Lemieux; Canada's status; a voice in foreign affairs; Mr. Asquith's declaration, 189, 190; development of inter-imperial relations, 190; equality amongst the nations of the British Commonwealth; signature of Peace Treaty, 191; consular service; Ambassador at Washington; the ghost of Imperial centralization; declaration of Prime Minister, 192; general election before Prime Ministers' Conference, 193; Assembly of the League of Nations, 195; alleged violation of constitution by continu-

Doherty, Right Hon. C. J.—*Con.*
Address—*Con.*
ance of Government, 196; authority derived from people and parliament; countries in which elections have been held, 197; Sir Wilfrid Laurier, 198; by-elections, 199; requisitioning of ships; cattle embargo; merchant marine; the Gold Coast and Nigeria, 200; "deadly parallels"; reciprocity; election in England after South African War, 201; declaration of Prime Minister at Montreal, 202
Ambassador at Washington, 185. *See also* Canadian Representation
Ames, Sir Herbert, resignation of, 1323
Bankruptcy Act Amdt. Bill, 2914-39
Judges under, 1085
Business of the House
Adjournment, 1173
Closure,
Motion under Rule 17B—Govt. shipbuilding programme, 2076
Notice of, 2026
Estimates, Rule 17C, Thursdays and Fridays, 958, 3001
Interim supply, 2011
Morning sittings, prorogation, 4338
Order of, 1672
Supply, procedure, 1073
Justice Dept., 1073
By-elections Bill, 1310
Canada Evidence Act Amdt. Bill, 3318
Canada Temperance Act Amdt. Bill, 4061
Alberta Court of Appeal, decision, 4375
Constitutional question, 4375
Costs, 4378-81
Court cases pending, 4374
Gold Seal Company vs. Dominion Express Co., 4375-8
Pending litigation not to be affected Amdt. (Mr. A. K Maclean) 4384
Prohibition plebiscite, 3901
Public vs. private interests, 4374
Canada Temperance Act
Quebec, petition for suspension of Act, 3584, 4382
Canadian Bar Association, 1095
Canadian Nationals Definition Act, 397, 585, 644, 768
Declaration of alienage, 2031-2033
Canadian National Railways
Special Committee
M. (Mr. A. K. Maclean) 1598
M. (Mr. Meighen) 1766
"Champlain" steamer, 1980
Civil Service Act Amdt. Bill, 2835-72, 4467-89

Doherty, Right Hon. C. J.—*Con.*
Civil Service, Political patronage in, (Res. Sir Sam Hughes) 809
Conservation Act Repeal Bill, 3146
Copyright Amdt. and Consolidation Bill, 350, 649, 2908, 3830-50
British Copyright Acts, 3833
Explanation of provisions, 3830
License to print, 3831
Phonographic discs, 3832
Royalty, 3831
Criminal Code Amdt. Bills, 3005, 3830, 3896-3901; 3906-38
Automobile theft, 3913
Defamatory libel, publication of judicial proceedings, 3934
Firearms, 3900-6
Juvenile deliquents, spanking, 3918
Senate amendments, 4256, 4343
Witness fees, 3937
Excessive or inadequate punishments, 1856
Exchequer Court Amdt. Bill, 563, 623
Extradition treaty, 3008, 3319, 3740, 3741
Hearst publications, 4171
Inspection of Gas and Gas Meters, 614
Judges
Exchequer Court, 1083
Judicial district of Quebec, 1081
Resignation of, 1093
Retirement and superannuation of, 1082
Vice-admiralty, 1084
Yukon, 1088
Judges Act, 1920, correspondence, 1851
Judges Act Amendment Bill, 1559, 1561, 3009
Free Conference with Senate, 3972, 4061, 4250
Retiring allowance, 1562
Judge Snider's report, 3905
Judicial districts, division of, 1083
Justice
Administration of
Northwest, 1080
Yukon, 1087
Department
Litigated matters, 1089
Private secretaries, 1079
Purchasing agent, 1079, 1115
Salaries, 1076
Juvenile deliquents Act Amdt. Bill, 3319, 3758. *See also* under this head Criminal Code Amdt. Bill
Law stamps, tax, 1090
League of Nations. *See also* under this title Address
Contribution to, 2362-9
Permanent Court of International Justice, 2096. *See also* that title under this head

Doherty, Right Hon. C. J.—*Con.*
Legal expenses, 4497
Madrid Postal Conference, 3001
Maisonneuve and Gaspé representation, 2315
Marine estimates, closure notice, 1988
Migratory Birds Convention Act Amdt., 2892
Militia Dept., sale of surplus supplies, 1098
Ministers to sit in either Chamber, 1160
National Catholic Labour Unions, 1650
Natural resources, transfer to western provinces, 2551
Nauru Island phosphate deposits, 4255, 4542
"Niobe" and "Rainbow" sale, 4018
Opium and Narcotic Drug Act Amdt. Bill, 2905-8, 3009
Park St. Charles Company, 4571
Patent Act Amdt. Bill, 4456-60
Penitentiaries Act Amdt. Bill, 3738, withdrawn, 3973
Penitentiaries. *See also* that title
Alberta, closing of, 1115
Ballot boxes, labour on, 1092
Detailed statement of expenditure, 1105
Dorchester
Purchases for, 1109
Salary and retiring allowances, 1096
Warden, 1092, 4467
Flour purchases, 1107
Increase in crimes, 1091
Maintenance and cost, increase in, 1111
Prisoners, remission of sentences, 1094
Purchasing system, 1108
St. Vincent de Paul, warden, 1078
Salaries and retiring allowances, 1097, 1110
Saskatchewan, 1091
Stony Mountain, release of prisoners, 478
Supplies for, 1104
Pensions, widowed mothers, 638
Permanent Court of International Justice, 2708-36, 2096, 3014
Post Office Act Amdt. Bill, 1619
Post Office Department
Annuities Branch, 4524
Fiset, Dr. Michel, 4523
Isles aux Grues service, 4529
Letter rate, 4519
Maritime Provinces, 4522
Outside service, 4529
Parcel post rates, 4527
Purchasing agent, 4527
Railway mail service, 4519
Reorganization and administration, 4518
Griffenhagen and Associates, 4519
Rural mail carriers, 4524

Doherty, Right Hon. C. J.—*Con.*
Post Office Department—*Con.*
St. Catherine Bay-Tadoussac mail service, 4530
Verret, Col. Hector, 4525
War tax, 4519
Prisons and Reformatories Act Amdt. Bill, 3011
Privy Council appeals, 1090
Proclamation—enforcement of Acts of Parliament, 3758
Provincial legislation, reports on, 2373
Public Works estimates, 2737
Purchasing Commission, 1080, 2015, 2021
Appointment, date of, 1102
Authority appointing, 1098
Civil Service Commission, and, 1100
Details of contracts, 1104
Reduction, 2024
Staff, 1113
Statutory authority, 1113-1114
Tenders—statute applying, 1106
Quebec riots, 1512
Representation in Parliament, 1321
Scott Act, suspension of, 3584, 4382
Three Card Monte, 1837. *See also* Criminal Code Amdt.
Vice-Admiralty Courts, registrars, 1086
Winding Up Act Amdt. Bill, 2095
Yorkton judicial district, 1080

Dollar, Mr. Robert and shipbuilding, 1707, 1725

Dominion Alliance, 304
Use of armoury at Windsor, 902

Dominion Arsenal, Lindsay, 2439

Dominion Canners
Greek and Roumanian purchases, qu. 1001, 1072

Dominion Coal Company, 3528

Dominion Controverted Elections Act. Bill withdrawn, 1126

Dominion Elections Act Amendment Bill. (Prohibition Plebiscite in Ontario). *See also* Prohibition Plebiscite. 1r., 150-2; 242; 2r., com., 244; 259; 3r., 313
Subjects and Sections discussed:
Agents, names of eliminated, Amdt. (Mr. Bureau) 304
Lists, preparation of, 307
Proclamation, assent and voting, 303, 311
Residential requirement, Amdt. (Mr. Steele), 306; neg. 311

Dominion Elections Act Amdt. Bill
1r., 2775; m. for 2r., 2994; 2r., 3090; com., 3090-3114; 4227; Amdt. (Mr. Euler) to 3r., 4249; 3r., 4250

Dominion Election Act Amdt. Bill—*Con.*
Subjects and sections discussed:
Administration of oaths, 3091
Advance polls, 3099
Amendment to writ, 3100
Certificate, 3100
Certified copy of list, 3094
Chief Electoral Officer, 4288-48
Consent of person nominated, 4246
Election officers, disqualification of, 4245
Foreign born wives and children of British subjects, 4229
Forms, 4227-40
Hours of polling—Amdt. (Mr. Fraser) 4245
Indexed copies of Act for election officers, 3094
Name added to list, 3092
Naturalization—certificate of qualification. Amdt. (Mr. Euler) 3103, 4249
New forms substituted, 3100
Nomination day, postponement of, 3094
Nomination paper, 4246
Oath of qualification, 4228-39
Oath of secrecy, 3095
"Personally naturalized", 4244
Polling divisions, urban, 3091
Polls, holding of, 3095
Qualifications, 3096
Recount, application for, 3097
Returning officer's report, 3098
Revising officers, 3091, 3101, 4250
Smith, Mr. Alexander, 4228-40
Voting, if disqualified, 3098

Dominion Elections Act
Chief Electoral Officer's reports, qu. 577; 731

Dominion Express Company. *See* Canada Temperance Act

Dominion Franchise Act, 361

Dominion Iron and Steel Company, 1710, 1723
Contract for ship plates, qu. 733, 1233. *See also* Shipbuilding

Dominion Lands, 1334
Aerial exploration and survey, 3778
Oil leases and, 1340. *See also* Oil
Pre-emptions and purchased homesteads, qu. 2506
Reclamation, 4495

Dominion Lands Act Amdt. Bill (Appointments). 1r., 3903; 2r., com., 4062; 3r., 4113

Dominion Lands and Parks, 1334, 1343, 4494
Antelope for parks, qu. 1134

Dominion Linens, Limited, 1398. *See also* Flax

Dominion Notes
And gold reserve, qu. 1234
Circulation of, qu. 1001
Securities, qu. 1383

Dominion Securities
Assignments of grain and produce, 1443

Dominion Shipbuilding Company, 1884, qu. 3423. *See also* Shipbuilding

Dominion Statistician
Census commissioners and enumerators, 801, 1232. *See also* Census

Dominion Textile Company, profits, 372

Donner, Mr. W. A., qu. 1624

Don Pacifico, case of, 1522

Dorchester Penitentiary. *See* Penitentiaries

Douglas, Mr., dismissal of from Militia, 2246, 2277

Douglas, Mr. J. C. (Cape Breton South and Richmond)
Canadian National Railways—rails, 1852
Fuel Supply Problem, 1270

Douglas, Mr. James M. (Strathcona)
Oil and Gas rentals, qu. 672
Unemployment and immigration, 1366
As Chairman
Member must show what bearing question has on estimates, 3078

Doukhobors, 1365

Dourine among range horses, 1050

Drainage. *See* Reclamation; Irrigation

Draper, Mr. P. M., and Labour, 1632, 1637

Drayton, Hon. Sir Henry L. (Minister of Finance)
Auditor General's Report, 737
Delay, 911-17
Fourth volume, 1385
British taxation of spirits, 3706
Budget
Date of, 738, 903, 1555, 2151
Speech, 3114. Luxury taxes, 3114; exports and imports (aggregate trade) 3115; trade with Great Britain, 3116; revenue and expenditure, 3116; liabilities, 3117; revenue and expenditure estimated, 1921-22, 3117; Grand Trunk acquisition, 3118; tariff changes, 3119; imports, marking of, 3120; Business profits war tax, 3120; excise taxes, 3120; sales tax, 3120; resolutions, 3121

Drayton, Hon. Sir Henry—*Con.*
Business Profits War Tax, 2100, 3120
Canadian loans in New York, 3289
Canadian National Railways
Directors, responsibility of, 1604
Special Committee, reference to
M. (Mr. A. K. Maclean) 1602
M. (Mr. Meighen) 1762
Civil Service
Bonus, 2108-10, 4535
Superannuated officials, payments to, 4541
Coal prices, 3295
Combines, 3293
Comparative return on Dominion guaranteed and Nova Scotia bonds, 4165
Currency Act Amdt. Bill, 2160-2, 2269
Customs and Excise Dept. Bill
Dumping clause, 3815
Exchange, 4424
German
Agents of exporters, 4426
Competition, 3811-19, 4424
Labour, cost of, 4425
Mark, 3810, 4423
Policy, 4423
Reparation, 4423
New and unused goods, 3815
Roumanian loan, 3811
Unemployment, 3811
Valuation of currency, 3810, 4423
Customs Tariff Act, 1907, Amdt. Bill, 3698
Alcohol, 3705, 3725
Cocoa imports, 3704
Date of coming into force, 3724
Imported goods, marking of, 3711, 3714, 3719, 3722, 3938-54
Date of coming into force, 3724
Liquor, tax on, 3708
Medicated wines, 3709
Whiskey, 3706, 3707
Estimates, Committee on, 2202
Grand Trunk loan, 4165-6
Income tax, 2102, 2107
Exemptions, 3466
Forms, 1176
Penalties, 2100
Returns, 2625
Income Tax Act Amdt. Bill, 3905, 4251
Consolidation, 4353
Penalties, 4343
Self-assessment and payment, 4344-50
Provincial Ministers' salaries, and indemnities, 4352
Railwaymen's expenses while absent from home, 4353
Inland Revenue Act Amdt. Bill
Alcohol, 3727, 3729, 3732
Distilled spirits, 3726

Drayton, Hon. Sir Henry—*Con.*
Inland Revenue Act Amdt. Bill—*Con.*
Molasses, 3726
Patent medicines, 3728
Spirits, excise duty on, 3726
Insurance Act Amdt. Bill, 2625, 4339
Insurance Conference, 3088
Interim Supply, 1675, 1680, 1681, 2095, 2100-10
Former votes, 1681
Necessity for voting, 2002
Notice, 1676
Payments due, 2025
Montreal Harbour Commission Bill, 2159, 2268
Reciprocity agreement with the United States, Amdt. (Mr. Fielding) 2041
Reduction of drink consumption, 3705
Returns, inquiries for, 1176
Roumania, Canadian loan to, 3811
Interest on, 478, 1072
Repayment of, 3811
Russian currency, 1072
Sales tax, 3120, 3372
Senate Committee, attendance of Mr. Crerar, 3259
Special War Revenue Act. Amdt. Bill
Alcohol, tax on, 3957
Amendments, 3742
Binder twine, 3751, 3756
Butter importations, 3749
Containers, 3754, 3956
Farmers, no tax on sales by, 3956
Fishing boats, 3745, 3751
Houses, tax on, 3959
Lumber, tax on, 3743
Farmers exempt, 3744
Missals and prayerbooks, 3756
Mixed grains, 3744
Sales tax, 3735, 3752, 3754
Change in clause, 3957
Tailors, 3955
Sparkling wines, 3734
Spirits, 3742
Sugar, duty on, 3699
Supplementary estimates, 3741
Supply, partial, 2019
Tariff revision, 903
Taxation. *See under this title* Business Profits; Income; Special War Revenue
Tobacco, duty on, 3698
United States tariff and Canadian duties, 4255
Whiskey, importation and taxation, 3706, 3707
Young Emergency Tariff, 3905

Drayton-Acworth report, 3042

Dredges and Dredging, 3982. *See also* Harbours and Rivers; Marine; St. Lawrence Channel
Baie St. Paul district, 1992
Cape Tormentine, 1017
"Internationale," qu. 2192, qu. 2506
Inverness harbour, 3985
Maritime provinces, 3982
Ontario and Quebec, 3985
Quebec dredging fleet, 2605
St. Lawrence river, qu. 568. *See also* that title

Druggists. *See also* Customs Tariff; Inland Revenue Act Amdt.
Alcohol tax, and, 3727
Prescriptions, 3725

Drugs. *See* Customs and Excise; Customs Tariff; Health; Inland Revenue; Opium and Narcotic Drugs

"Druid" steamer, repairs, 1980, 1984

Drury, Hon. E. C., and Drury Government, 96, 315, 335, 421, 3199, 4172-4221, 4301. *See also* Address; Budget; Highways; Lake of the Woods
Patronage, 2876
Position on tariff, 421

Drydocks, 1690, 3987, 4017-36. *See also* Shipbuilding
Esquimalt, 3149, 3648
Expropriation of, 1698
Halifax, qu. 567
Montreal Dry Docks and Ship repairing, limited, qu. 2191
Prince Rupert Dry Dock Engineering Company, qu. 3423
Victoria, contract for, qu. 565

Duff, Mr. Justice, 1561

Duff, the late Hon. James, 1033

Duff, Mr. William (Lunenburg)
Air Board, 3782
Apple-growing in Lunenburg county, 1042
British Chamber of Shipping, 1716
Canadian citizens' war claims, qu. 1820
Canadian Government Merchant Marine, 1686
Assets and liabilities, 1920, 1701
Balance sheet for 1920, errors in, 1698
Business brokers, 1713
Depreciation in value of vessels, 1701
Dominion Iron and Steel Company, 1711
Hall Engineering Company, qu. 695
Insurance, 1703
Officers, and seamen, 4357-60
Operating account, 1717

Duff, Mr. William.—*Con.*
Canadian Govt. Merchant Marine—*Con.*
Prime Minister and, 1708
Registering of ships at Halifax, 1720
Reported sale of ships, qu. 570
State-owned fleets in other countries, 1718
Vessels, qu. 1499
"Canadian Conqueror," qu. 1381
"Canadian Explorer," 1714
"Canadian Inventor," 1890
"Canadian Mariner," 1715
"Canadian Pioneer," 1689
"Canadian Recruit," qu. 575
Canadian National Railways and Montreal Locomotive Co., qu. 696
Canadian Northern and Grand Trunk bonds, qu. 837
Cantley, Col. Thomas, qu. 1501
Civil Service Commission
Appointments, distribution of, 1045
Fruit inspectors, 1042
Civil Service Retirement Act Amdt. Bill, 2496-2502
Cold Storage, 1040
Customs and Excise Dept. Bill
Consular certificates, 4404
Invoice certificate, 3791, 4407
Fee—who pays? 4399, 4403
Proclamation, 4407
Trade agents, 3791-4, 4404
Drydocks
Halifax, ques. 567
Expropriation of, 1698
Victoria, contract for, qu. 565
"Esperanto," wreck of, 4341
Fish and Fisheries
Canned and pickled, inspection of, 2182
Cold storage for, 1039
Drawback on from United States, qu. 600
Fish breeding establishments, 2188
Lunenburg overseers, 2179
Tax on fishing boats, 3745
French speech by Sir George Foster, translation, 1230
Fruit inspectors, 1041, 1047
Halifax-Newfoundland service, 1713
Highways, 4303
Johnston, Mr. Alexander, re-appointment, 644
Marine hospitals—Lunenburg, 3139
Montreal Drydock and Ship-repairing, Limited, qu. 2191
Natural resources, 881
"Niobe" and "Rainbow," qu. 671
Prince Rupert
Public building, qu. 567
Purchase of land from Mr. V. W. Smith, qu. 963
Railway Department, salaries, 1671

Duff, Mr. William—*Con.*
Railways, auditors, 1661
Returned Soldiers Insurance Act Amdt. Bill, 4355-60
Shipbuilding, 1710, 1867, 1932
Advances at Victoria, qu. 599
Contractors' percentage, 1902
Contracts, 1689
Depreciation, 1886
Dominion Steel Company and Government, 1691
Exchange, 1894
Interest, 1869, 1886
Operating costs and wages, 1933
Opposition to policy by newspapers, 1892
Point of order, 1898
Programme, 2091
Trade routes, opening of, 1888
Sick mariners, 3129, 3139
Steel plates for ships, qu. 1233
Steel ships, contracts for, qu. 565
Trade and Commerce estimates, 1231

Duguid, Mr., naval architect, 1280

Dumping Act. *See* Customs and Excise Dept. Bill

Du Tremblay, Mr. P. R. (Laurier-Outremont)
Bankruptcy Act Amdt. Bill, 2921-7
Budget, 3191. Tariff revision, 3191; congratulations to Minister upon moderate changes, 3192; public debt, 3192; golden era of Liberal party, 3193; get rid of railroads, 3193; merchant marine, 3194; military and naval expenditures, 3194; Civil Service, 3194; war indemnity, 3195
German reparation, Canada's claim, qu. 643
Loan to shipyards, 1883
"Niobe" and "Rainbow", sale, 4032
Oleomargarine Act Amdt. Bill, 3881
Opium and Narcotic Drug Act Amdt. Bill, 2266-8, 2903
Tobacco, duty on, 3698

Easter Adjournment. *See* House of Commons, Adjournments

East Elgin, 1293. *See also* Address

Eastern Car Company, Limited, 1611

Ebert, Mr. Justice, report of, qu. 4254

Economic Development Commission, 869

Editorial Committee, 4557. *See also* Printing Bureau
Printing of Civil Service list, qu. 1349
Statement, 4551

Edmonton
Deputy postmaster, 827
District Engineer's office, 4535-43

Edmundston
Bridge, 2810
Post office, qu. 3422

Educational Statistics, 1231

Edwards, Mr. J. W. (Frontenac)
Address in reply to Governor General's Speech, 126; congratulations to Prime Minister; the tariff on apples, 126; speech of the leader of the Opposition; right of the Government to hold office; resignation of Ministers or defection of supporters no reason for dissolution, 127; Liberal party a thing of shreds and patches, 128; by-elections, 128; leader of the Opposition a usurper; issue of the 1917 election, 129; right of Parliament to deal with tariff; the soldier vote, 130; analysis of civil and soldier vote in Ontario and Quebec, 131; the amendment not specific, 131, 136; record of Liberal party on the tariff, 132; Government defeat would mean accession to power of leader of the Opposition, 133; province of Quebec, 134; record of the Government, finances, debt, expenditure, agricultural and industrial production, loans, savings, 135, 136
Agricultural shows, 1239, 1241
Budget, 3175. Liberals and free trade, 3175; Ministers of the Crown and business enterprises, 3176; German goods, 3177; public debt, 3177; other budgets, 3178; budget of 1919, 3178; tariff reductions on agricultural implements, 3179; Progressive party, attitude of, 3179; Mr. Crerar and Grain Growers Company, 3180; Prime Minister on tariff, 3182; member for Red Deer and free trade, 3182; Liberals and tariff reduction, 3183; fiscal policy of Great Britain, 3185; agriculture in Great Britain, 3185; pig iron industry, 3188; Ontario, progress in, 3188; United States, progress in farming, 3188
Business of the House
Wednesday evening adjournment, 1840
Butter and cheese, imports and exports, 3852, 4438. *See also under this title,* Oleomargarine
Cattle embargo, 715
Chief Justice, salary of, 1562
Civil Service Act Amdt. Bill, 2874, 4286
Air Force, preference, 4483
Holidays, religious, 4490
Returned soldiers, preference, 4483
Civil Service (res. Sir Sam Hughes), political patronage in; Judicial appointments; Halifax programme; Lib-

Edwards, Mr. J. W.—*Con.*
Civil Service—*Con.*
eral platforms, 1893 and 1919; census enumerators, 813; Civil Service Commission; an illogical and undemocratic system, 814; outside service; inside service, 815
Civil Service Retirement Act Amdt. Bill, 4274-6
Collins' Bay, wreck, 1989
Dairy Products Grading Bill, 4438-46
Debates, translation of French speeches, 700
De Martigny divorce, 4203
Great Lakes-St. Lawrence waterway, 680
Health of Animals—glanders in Frontenac, 926
Hearst publications, 4170
Highway construction in Ontario, 4290-4303
Interim supply, 2008, 2020
Judges Act Amendment, 1560
Judicial appointments, 813
Kingston, bridges and wharves, 3974
Langlois, Mr. George Arnoult, appointment, qu. 2505
Lightkeepers' salaries, 1995
Main Ducks life-saving station, 1991
Maisonneuve and Gaspé, representation, 1302, 2247, 2310-2339
Militia
Annual drill, 2295
Military expenditures, 2792
Ministers to sit in either Chamber, 1171
Oleomargarine Act Amdt. Bill, 3852-88
Opium and Narcotic Drugs Act Amdt. Bill, 2904
Polish battalion for service in French army, 4061
Privilege, Maisonneuve-Gaspé representation, 2247
Proportional representation, 1537
Reciprocity agreement with United States, 2048
Representation in Parliament, 1316
Royal Military College, 2803
Shipbuilding, 1953
Soldiers Pensions, Insurance and Re-establishment, 4054-61

Eggs, 1122
Chinese, importation of, qu. 568, 3751
Export and marketing of, 1122
Production, 3190, 3473

Egypt, shipment of railroad ties to, 1725

Elections. *See also* By-elections; Canadian Nationals; Controverted Elections; Corrupt Practices; Dominion Elections; Proportional Representation; Representation in Parliament

Elections—*Con.*
Foreign agitators at, qu. 903
General, necessity for. *See* Address; Budget; Representation in Parliament
Officers' fees, 188
Yamaska, arrangements for, 4534. *See also* Yamaska
York-Sunbury. *See that title*

Elective Senate. *See* Ministers

Electoral System. *See* Proportional Representation

Electric Power. *See* Fuel Supply; Great Lakes and St. Lawrence; Lake of the Woods, Water Powers

Elevators, 1442. *See also* Canada Grain Act; Canadian Wheat Board; Grain and Grain Trade; Terminal Elevators

Eleven O'Clock Adjournment. *See* House of Commons

Elkin, Mr. S. E. (St. John City and Counties of St. John and Albert)
De Martigny divorce, 3764
St. John and Quebec Railway Bill, 2156
Shipbuilding, 1888
Sick mariners benefit fund, 4039

Embargo on Cattle. *See* Cattle

Empire Cabinet, proposed, 1385. *See also* Prime Ministers' Conference

Empire Insurance Company. *See* North American Insurance

Empire Parliamentary Association. *See also* Speaker's Chair
Address by Sir Herbert Ames, 1311

England. *See also* Great Britain
Linen manufacturers, 1390
Railway situation in, 1008

English River. *See* Lake of the Woods

Entomology, 1024. *See also* Destructive Insects

Epiphany, 2626. *See also* Civil Service, Religious holidays

Esmonde, Mr. Osmonde Grattan, 1556

"Esperanto", wreck of, 4341

Esquimalt
Dockyard, 4017-36
Drydock, 3149, 3648, 3651
Naval College, 4010-16

Essences, tax on, 3709

Estimates. *See also* Deputy Speaker; House of Commons; Interim Supply; Speaker; Supply. For departments, *see their titles*

Estimates—*Con.*
Closure. *See that title*
Consent of House necessary, 1073
Consideration after midnight, 2736-75
Current necessities—Redlich, 1675
Discussion of, opportunity for, 1026. *See also* Labour Dept.; Ministers; Post Office Dept
Form of voting objected to, 1674
Holding up of, 1941. *See also* Shipbuilding
Lengthy debate, 1832
Main (1921-22) tabled, 644
Notice of amendment in Com., 4168
Obstruction in. *See* Shipbuilding
One-sixth of amount, 1674 *See also* Interim Supply
Passing of without information, 1616
Procedure in, 1676
Railways, deferring of, 1652
Right of Opposition to attack items, 1678
Scrutiny of by Special Committee, 484, 1503. M. (Mr. Lemieux) 2193
Statutory payments, 1414
Supplementary, tabled, 3901, 4170, 4453
Inquiry as to, 3741, 4070
Thursdays and Fridays, Rule 17C. *See* House of Commons
Unreliability of figures, 1203-4
Voting en bloc, 2006, 2012
Voting, method of, 4538, 4540

Ethier, Mr. J. A. C. (Laval-Two Mountains)
Berry Boxes, 4106, 4114-16
Canada Temperance Act, 4383
Central Railway Company of Canada, 3715, 3716
Civil Service Retirement Act Amdt. Bill, 4277
Civil Service Act Amdt. Bill, 4278-85
Classification and reorganization, 4465
Dorchester penitentiary, appointments at, 4467
Exemption of certain classes from jurisdiction of Commission, 4460-83
Returned soldiers, preference, 4358, 4483
Special Committee, evidence, 4461
Civil Service
Bonus, qu. 1350
Number of civil servants, names, and classification, 4255
Daylight saving, qu. 1817
De Martigny divorce, 3766-8
Griffenhagen and Associates, qu. 1821
Highways—Montreal—Hull, 4306
Inspection and Sale Act Amdt.—Berry Boxes, 4106, 4114-16
Veniot correspondence, 3719

Ethyl Alcohol, 3705. *See also* Inland Revenue

Euler, Mr. William D. (North Waterloo)
Air Board, 3777-85
Bounties, principle of granting, 1423
Budget, 3569. Business profits tax and sales tax, 3570; economy in expenditure necessary, 3570; income tax, 3570; methods of raising revenue, 3571; national railways, 3572; Mr. Fielding's amendment, 3573; Prime Minister's remarks on Budget, 3574
Canadian Nationals, 647, 770
Canadian National Railways
Independent auditor, qu. 1133
Canadian Press, Limited, 4533
Civil Service Act Amdt. Bill, 4280-5, 4469-82
"Nor in the public interest," amdt., 4283
Returned soldiers, 4258
Civil Service Bonus, 2110-15, 3531
Coal consumption, 1258
Convicts, increase in number, 1091
Copyright Amdt. and Consolidation Bill, 3844-6
Customs Tariff, 1907, Amdt. Bill—imported goods, marking, 3953
Dominion Elections Act Amdt. Bill (prohibition plebiscite), 259
Dominion Elections Act Amdt. Bill, 4227-49
Foreign-born wives and children of British subjects, 3103, 3113, 4209. *See also* Naturalization
Forms, 4227-46
Naturalization—certificate of qualification, 4229
Amdt. in Com., 3103, 4227; neg. 4342
Amdt. to 3r., 4249
"Personally naturalized", 4244
Fuel Supply Problem, 1263
Grand Trunk Arbitration Bill, 2461-3
Great Lakes-St. Lawrence waterway, 694
Highways, 3028
House of Commons Chamber, temperature of, 1071
Hudson Bay Railway, 979, 988
Illustration stations in Ontario, 950
Immigration, 2574-92
Income Tax Act Amdt. Bill, 4344
Income Tax returns, 2567, 2625
Industrial Disputes Investigation Act, 4549
Kingston penitentiary, 1097, 1107
Lake of the Woods Regulation Bill, 4175
League of Nations—labour, 4547
Linen yarn factories, 1397
Ministers to sit in either Chamber, 1161
"Niobe" and "Rainbow", sale, 4025
Oleomargarine Act Amdt. Bill, 3870
Opium and Narcotic Drug Act Amdt., 2267
Royal Canadian Mounted Police, 2483-4
Royal Military College, 2802

Euler, Mr. William D.—*Con.*
St. John and Quebec Railway Bill, 2154
Shipbuilding, assistance to, qu. 603
Smith, Mr. Sydney, qu. 1236
Suggested resignation of Opposition, 223. *See also* Stevens, Mr. H. S.
Surplus war supplies, disposal of, qu. 736
Trent canal, 2613-15, 2989
Welland canal, construction, 2988-96; amdt. 2989

European Corn Borer. *See* Corn Borer

European Credits, 3160. *See also* Belgium; Greece; Loans; Roumania

Excessive or Inadequate Punishments. *See* Criminal Code Amdt. Bill

Exemptions. *See* Taxation

Exchange, rate of, 96, 267, 316, 416, 545, 3087, 3160, 3167, 3264, 3571, 3599. *See also* Customs and Excise; Finance; Loans
Comparative return on Dominion guaranteed and Nova Scotia bonds, 4165
German mark, 3810-19
Money—purchasing power and exchange value, 4427
Shipbuilding, 1894
Tariff rates on foreign goods, 4421
Trade with Russia, 1003
Valuation for duty, qu. 733
Valuation of currency, 3786-3818
Valuation of the pound and dollar, qu. 577

Exchequer Court Act Amdt. Bill
1r., 563; m. for 2r., 623; com., 625; 3r., 644
Subjects and sections discussed:
Appeals, 623
Commissioner of Patents, 623
General rules and orders, 258
Judges, 1083

Excise. *See* Customs and Excise; Inland Revenue; Special War Revenue

Exhibitions, 1123. *See also* Agricultural Shows; County Fairs; Live stock; Trade
Film productions, 1558
Seed fairs, 1126

Exhibition Train, 1557-8

Exhibits Branch, 1466

Expeditionary Force. *See* Canadian Expeditionary Force

Expenditure in Departments. *See* Ministers

Experimental Farms, 922, 928, 931, 932-36, 945, 1949, 4215. *See also* Agriculture; Live Stock
American implements at, qu. 492
Charlevoix-Montmorency, 945
Distribution of, 1076
Dorchester county, 946
Fredericton, qu. 1131
Hours and pay, 932
L'Assomption, 918
Nappan, Gureney cattle, qu. 2686
Ontario, 948
Rimouski, 954
Ste. Anne de la Pocatière, 948
Seed inspection, 1125
Wright county, 922

Explosives, 2162

Exports. *See also* Address; Budget; Customs and Excise Dept. Bill; Trade
Canadian, for last year, 3483
Canadian Government Merchant Marine, by, 1276-7
Freight rates, 1224

Export Trade, Expansion of. *See* Shipbuilding; Trade

Express Companies, 3469

Express Rates, 169

External Affairs
Conservation Commission, 3960
Department, creation of, 2388
Estimates, 2437
Legal adviser, opinion as to correspondence *re* Canadian Representation in the United States, 2406, 2428
Passport office, 2436
Report of Secretary of State for, 397

Extradition Convention with the United States, Bill
1r., 3319; withdrawn, 3741

Extradition Treaty with the United States (Wife desertion.) *See also* Extradition Convention
Copies tabled, 3207
Inquiry, 3008, 3740

Fabian Pamphlets, 1034

Fafard, Mr. J. Fernand (L'Islet)
Algernon Rock pier, qu. 1383
Bonus to lightkeepers, qu. 1622
County fairs, 1123
Fruit inspection, 1043
St. John harbour, qu. 1383
Upper Crossing St. Roch light, qu. 1383

Fares, theft of, 3925

Farm Implements. *See* Agricultural Implements; Machinery

Farm Labour, 3412. *See also* Labour; Unemployment

Farm Lands, price of, 1034

Farmers
Agricultural publications, and, 1075
Canadian Expeditionary Force, in, qu. 1349. *See also* Military Service Act
Exemption, 3597
Income tax collections, 569, qu. 838
Organizations, 791
Prosperity of, 1035
Protection for, 3748-49

Farmers' Clubs, 1034. *See also* Live Stock

Farmers' Movement and Party. *See* Progressive Party

Farming, competition in, 3188

Farnham, Que., camp grounds, qu. 1132

Fat Stock Shows. *See* Live Stock

Federal Housing Board. *See* Housing

Federal Union No. 66. *See also* Civil Service
Agitation by, 825
Organization of, 795
Policy of, 823

Feeding Stuffs Act
Enforcement, qu. 965
Inspection districts, qu. 1624

Feeds, Mill, 1126
Adulteration of, 3589
Exemption of, 3745
Stock, 289
Mixed grains, 3745
Transportation charges on, qu. 2686

Female Suffrage, 173, 527, 4474. *See also* Dominion Elections Act Amdt. Bill

Ferrer, Execution of, 1523

Ferries. *See* Marine

Ferryman. *See* Post Office

Fertilizer Act, 1909. Administration of, 4513

Fertilizer Act, 1909, Amdt. Bill, 1r., 1497; 2r., 2231; ref. to Com. on Agr., 2234

Fertilizers, duty on, 3441

Fielding, Hon. W. S. (Shelburne and Queen's)
Address in reply to Governor General's Speech, 518; political possibilities—Liberal, Farmer or Tory Government—congratulations to Prime Minister; leaders of Liberal and Farmers parties; League of Nations, 518; Canada's participation; independence; expenses of League, 519; difference between British and Canadian representatives, 520; Article X, 521; the Government's mandate; change of leadership, name, party and policy, 522; individual understandings and experiences; conclusion of war ends Government's mandate, 523; Cabinet reorganization; Government's record, 524; Ambassador at Washington, 525; Imperial Conference, Cattle embargo, 526; votes to women; patronage, 527
Alcohol, tax on, 3705, 3727, 3730, 3732
Armouries for public meetings, 901
Auditor General's report, delay, 909
Bankruptcy Act Amdt. Bill, 2919-34
Bolshevism, pamphlet, 4548
Budget, inquiry as to date of, 1270
Approximate date, qu. 738
Speech, 3127, 3146; severe depression result of war, 3146; advantage of direct taxation, 3147; income tax returns, 3147; disposition of public funds, 3148; naval and military expenditures, 3149; disarmament, 3150; tariff revision, 3150; protection of industries, 3153; American tariff, 3154; free trade, 3155; Amdt. moved, 3155; neg. 3686-7
Business of the House. *See also* under this head Estimates; Interim Supply; Supply
Adjournment moved by member closing debate, 999
Agriculture Estimates, proceeding with, 1074
Announcement of, for to-morrow, 1026, 1073, 2148
Division after a recess, 1383
Easter, after, 1270
Further discussion, 1068
Meeting at two o'clock, 447
Motion requires longer notice, 1672
Prorogation, 4068
Sittings
Saturday, 2777
Wednesday, 1384
Adjournment at eleven o'clock, 1828
Evening sittings, 1174, 1844
Two o'clock rule, on, 447
Undue haste, 4449
Butter "dumped" into Canada, 3750
Canada Shipping Act. Amdt. Bill (Public Harbours) 2230-1

Fielding, Hon. W. S.—*Con.*
Canada Temperance Act Amdt. Bill
Cases pending, 3902, 4373-6
Canada-West Indies Trade Agreement, 1557, 2254-63
Canadian Government bonds, qu. 1620
Canadian Nationals Definition Act, 647, 768, 2033
Canadian National Railways
Board of Directors, 1653
Correspondence with directors, 1003
Fire claims—Shelburne County, 4569
Halifax and Southwestern line, 3052
Extension to Lockeport, 3054, 4323
Station accommodation, 4327
Management — Information, M. (Mr. King) 1184
Special Committee, reference to
M. (Mr. A. K. Maclean) 1606
M. (Mr. Meighen) 1764, 1846
Amdt. (Mr. King) 1794
Canadian Representation in the United States, 2391-2436
Cattle embargo, 713, 729, 762
Chief Justice, income tax, and, 1566
Civil Service Act Amdt. Bill, 2780, 3901
Religious holidays, 4491
Returned Soldiers, 4259
Civil Service Retirement Act Amdt. Bill, 2489-90, 4268-78
Civil Service, political patronage, Res. (Sir Sam Hughes) 807
Clark's Harbour, public building, 2817
Conservation Act Amdt. Bill, 3959-71
Copyright Amdt. and Consolidation Bill, 3834-48
Currency Act, 1910, Amdt. Bill, 2161
Customs and Excise Dept. Bill
Brokers' fee, 4432
Cost of production, 4411-14
Dick Turpin, 4421
Dumping clause, 3816, 4412
Exchange—tariff rates on foreign goods, 4421
German trade, 3813
Invoice certificate, 3801
Fee—who pays? 3801-3, 4389
New or unused goods, 3813
Tariff, increase, 3813
Third reading; undue haste, 4449
Trade agents, 3800-13, 4389
Valuation for duty, 4411
Valuation of currency, 3813, 4420
Customs Tariff, 1907, Amdt. Bill, imported goods—marking, 3712, 3714, 3722, 3953
Dairy Products Grading Bill—undue haste, 4449

Fielding, Hon. W. S.—*Con.*
Dominion Elections Act Amdt. Bill (Prohibition plebiscite) 243
Dominion Elections Act Amdt. Bill, 2944
Revising officers, 3092, 3101
Dominion Lands Act Amdt. Bill, 4063-5
Dredging, 3984
Election petitions, 3934
Entomology Bureau, 1025
Estimates
Expenditures not appearing in, 1423
Statutory, 1417-18
Thursdays and Fridays, Rule 17C, 1676
Voting of fixed sums, 1417-18
Extradition Treaty, 2687, 3008, 3740, 3741
French Trade Agreement, 1351, 1558, 2127-41, 2152
Grand Trunk Arbitration Bill, 2376, 2448-80, 2777
Harbours and Rivers
Estimates, 3976-82
Nova Scotia, 3990
Highways, 1664, 3023
Hudson Bay Railway, M. involving expenditure, 982
Imports, regulations, 3709
Income tax, Chief Justice, and, 1566
Income Tax Act Amdt. Bill, 4344-52
Intercolonial Railway—land at Lévis, 1846
Interim Supply. *See also* under this title, Estimates; Supply
Motion out of order, 2009
Procedure, 1677, 2012
Resolution should have schedule, 2015
Unanimous consent required, 2002
Urgency of, 2003
Judges' Act Amdt, Bill, 2118, 3010
Judges as revising officers, 3092-3101
King's birthday, 4450
Lake of the Woods Regulation Bill, 4224-6
League of Nations, Assembly, request for papers, 188
Lighthouse signal service, 4040
Lobster season, 2188
Lockeport-Froude's Point service, 1496
Lockeport railway extension, 3054, 4323
Luxury taxes, abolition, 1185
Macallum, Dr., 1432
Manufacturers and protection, 3660
Migratory Birds Convention Act Amdt. Bill, 2891, 4496
Montreal Harbour Commission Bill, 2159
National Catholic Labour Unions, 1649
National Research Institute, 1432, 2701-07, 2893-6. *See also* Research
National resources—transfer to Western Provinces, 2549

Fielding, Hon. W. S.—*Con.*
"Niobe" and "Rainbow", sale, 4011
Nova Scotia harbours and icebreakers, 1994
Oleomargarine Act Amdt. Bill, 3531, 3863-90, 3906
Opium and Narcotic Drug Act Amdt. Bill, 2898-2903
Ottawa Improvement Commission Act Amdt. Bill, 2941
Parliament Buildings, 3992-8
Pensions to pilots, 2000
Pensions, widowed mothers, 638
Pensions Act Amdt. Bill, 4365-73
Permanent Court of International Justice, 2097
Polish battalion for service in French army, 4061
Prime Ministers' Conference, 2637-8
Privileges and Elections Committee, 2373
Protection and, references to former speeches, 3332
Public Accounts Committee, information, 1805
Public Works Engineering Branch, 4083-4
Railway Commission, 3019, 3022
Railway estimates, deferring of, 1652
Reciprocity agreement with the United States, Amdt. to Supply, 2038
Representation in Parliament, 1318
Research Council, 1432. *See also* under this title National Research Institute
Returned Soldiers, 4365
Returned Soldiers Insurance Act Amdt. Bill, 4261
Right of Dominion to tax provinces, 3742
Royal Canadian Mounted Police Act Amdt. Bill, 2482
St. John and Quebec Railway Bill, 2155-6
St. John harbour, 4079
Soldiers pensions, insurance and re-establishment, 4061
Special War Revenue Act Amdt. Bill
Alcohol, 3705, 3730, 3727, 3732
Fishing boats, 3737, 3745
Patent medicines, 3728
Sales tax, 3754
Spirituous liquors, 3711
Sugar, duty on, 3699
Supply. *See also*, under this title, Estimates, Interim Supply
Amendments, non-confidence, 1184
Comprehensive items, 3015
Motions in, 1683
Tariff revision, 3749
Taxation, right of, 3706, 3742
Trade agents in United States, 1476
Trade with United States, 1468
Unemployment, 4549

Fielding, Hon. W. S.—*Con.*
Vacancies, 1324
Victoria Day, 3697
Vote on capital account, 1464
West Indies importations, 3704
West Indies steamship service, 1488
Westport signal service, 1998
Women workers, 4547

Fiji Islands, trade with, 1465
Catellier, Mr. Ludger, 1465

Films, Educational. *See* Trade and Commerce; Exhibitions

Finance. *See also* Address; Banks; Bonds; Brussels International Financial Conference; Budget; Canadian Government Merchant Marine; Canadian National Railways; Currency Act Amdt. Bill; Customs and Excise Dept. Bill; Exchange; Grand Trunk; Housing; Loans; Taxation
Accounts with Great Britain, qu. 2191; qu. 2622
Canadian currency discount, 3115
Canadian dollar, value in United States, 3087
Canadian Government bonds, 3289
Chartered banks, taxes paid by, qu. 2192
Credits, 3160. *See also* Loans
Roumania and Greece, to, qu. 1236. *See also* Roumania
Department
Purchasing Commission, and, 1102
Deposits outside Canada in Canadian banks, qu. 1623
Dominion Notes
Circulation, qu. 1001
Gold reserve, and, ques. 1234
Issues, qu. 2621
Securities, qu. 1383
Expenditure accounts, qu. 2621
Expenditure and debt per capita, 2013
Expenditure, revenue and debt, qu. 2099
Foreign monetary standards and Customs, qu. 1133. *See also* Customs and Excise Dept. Bill
Government bonds, purchase of, qu. 1620
Investments, "other" and "non-active," qu. 2691
Minister
Miscellaneous estimates, passing of, 1116
Public debt—non-active, miscellaneous and banking accounts, qu. 2621
Repayment of, $25,000,000 loan, qu. 2622
Revenue accounts, qu. 2620
Revenue, expenditure and debt, qu. 2099
Victory bonds, 1920
Expenses, qu. 1620

Firearms, possession of. *See* Criminal Code Amdt. Bills

Fire Insurance, 3469

Fiscal Policy of Government. *See* Address; Budget; Customs and Excise Dept. Bill; Tariff

Fiset, Dr. Michel, qu. 963, 4523

Fish and Fisheries
Biological Board, 2189
Breeding establishments, 2185, 4036
Saskatchewan, in, 2185
British Columbia, 882, 890
Conservation Commission, 3965-9
Cowan, Mr. G. H., K.C., legal expenses, 2187
Development of, 856, 861
East Coast Fisheries drawback, qu. 600
Ebert, Mr. Justice, report, qu. 4254
Fish bait, 1038
Fish consumption, 1038
Gulf, Gaspé and Magdalen Islands, 877
Halibut industry in British Columbia, 883
Halifax award, qu. 2191
Inspection, 2182
International Fisheries Commission, Fraser River, 2189
Jurisdiction of Dominion and Provinces, 2104
Lobster hatcheries, 2188, 4036
Net fishing in Missisquoi Bay, qu. 570
Officers and guardians, 2177
Oyster culture, 2177
Patrol service, 2177
Problems, scientific investigation, 2188
Protection service, 4036
Quebec fisheries reference, 4040
Refrigerator cars, 1038
Salmon licenses, 2104, 4341. *See also* Privy Council
Quebec, qu. 1381, qu, 2506
Transportation of fish, 883, 877
Gaspé, 962

Fishing Boats, exemption of material, 3737. *See also* Special War Revenue Act Amdt. Bill

Flavelle, Sir Joseph, 4142, 4314. *See also* Canadian National Railways

Flax. *See also* Bounties; Linen Yarn
Bounty, 1389
Decline in prices, 1389
Growers, Convention, 1391
Industry, experimental work, 931-2
Patent process of retting, 4455

Fleming, Sir Sanford, 3046

Florence & Son. *See* Printing Bureau, Destruction of Documents

Flour. *See also* Wheat
Moisture in, 1446
Penitentiaries for, 1107
Price of, 1448

Flour Bags, tax on, 3754. *See also* Special War Revenue Act Amdt. Bill

Flynn, Mr. Harry, 217

Fontaine, Mr. J. E. (Hull)
Address in reply to Governor General's Speech, 210; congratulations to new Prime Minister, 210; change in name of Unionist party; the tariff; neglect of agriculture; the working classes; consumer finally pays the taxes; the cost of living, 211; Georgian Bay Canal; national debt, expenditure; old age pensions and unemployment; insurance; province of Quebec, 212
Alcohol, tax on, 3725, 3728, 3732
Georgian Bay Canal, 745
Great Lakes-St. Lawrence waterway, 745
Hull-Wakefield road, 3033
National Catholic Labour Unions, 1646
Patent medicines, 3728
Shipbuilding, 1941

Food Adulteration of. *See* Health
Maple Products, 887. *See also* that title

Foodstuffs, 3589, 3734
Hoarding of, qu. 1347
Tax on, 3546. *See also* Special War Revenue Act Amdt. Bill

Foran, Mr. William. *See* Civil Service

Ford Motor Company, 3409

Fordney Bill. *See* Budget; Tariff; United States

Foreign Agitators and Elections, 903

Foreign-Born Wives and Children of British Subjects. *See* Dominion Elections Act Amdt.

Foreign Business. *See* Trade

Foreign Currency Inflation. *See* Customs and Excise Dept. Bill

Foreign Decorations to Canadians, qu. 1132

Foreign Imports, value, 3310

Foreign Loans. *See* Greece; Loans; Roumania

Foreign Manufacture. *See* Customs and Excise Dept. Bill; Customs Tariff, imported goods—marking

Foreign Monetary Standards and Customs, qu. 1133. *See also* Customs and Excise Dept. Bill, Valuation of Currency

Foreign Shipments, Invoice Certificate. *See* Customs and Excise Dept. Bill

Foreign Tariffs Division, 1437

Forest Reserves
Porcupine, 538
Winter grazing, 383

Forestry. *See also* Natural Resources; Research
Aerial patrol and survey, 3776, 4495
Bud worm, 1031
Canadian Forestry Association, 4494
Conservation Commission, 3960-9
Director of, 1346
National Transcontinental Railway, forest protection, 4335
Protection of forests, 870, 4335, 4494
Spruce forests—bud worn, 1031

Forfeitures and Penalties. *See* Inland Revenue

Forman, Mr. H., 1672

Fortier, Mr. H. A. (Labelle)
Address in reply to Governor General's Speech, 169. Amendment — duty of Government to hold election; the Agrarian movement; West Peterborough; attitude of Quebec; National Liberal Conservative Association in no sense national, 170; change of electoral map will not change sentiments of the people; western representation; unconstitutionality, tyranny and despotism, 171
Air Board, 3785
Bankruptcy Act Amdt. Bill, 2912-34
Budget, 3417. Deplorable condition of finances, 3418; military expenditures, 3418; national debt, 3420; tariff revision, 3420
Canadian Bar Association, 1094
Canadian Wheat Board, 2116-17
Civil Service bonus, 2112
French, Bill not printed in, 1095
Highways projected in Quebec, 3025, 3029
Judges—reorganization of districts, 1083
National Research Institute, 2897
Oleomargarine Act Amdt. Bill, 3876
Railway Commission, French secretary. 3018

Fortier, Mr. H. A.—*Con.*
Royal Canadian Mounted Police Act Amdt. Bill, 2486
Shipbuilding, 1946

Fort Cumberland and Fort Moncton, care of, 4540

Fort Frances Post Office site, qu. 1233

Fort Garry Hotel, Winnipeg, qu. 1348

Fort Lennox, Isle-aux-Noix, sundial, qu. 2097

Fort Smith Railway Company. *See* Private Bills Discussed

Fort William
Harbour improvements, 4536
Terminals, 3050

Fortifications of the City of Quebec. *See* Quebec

Fortin, Abbe. *See* Labour, National Catholic Labour Unions

Foster, Mr. A. De Witt, 90, 3509

Foster, Right Hon. Sir George E. (Minister of Trade and Commerce)
Address in reply to Governor General's Speech, 46; the tariff; First Assembly of the League of Nations; work and purpose of League, 47; development of national life; enlarged ideals and sympathies; the problem of world peace, 48; Covenant of League of Nations and Treaty of Versailles; Peace Treaty signed by 47 nations; the United States; duties and obligations of League; its organization; the Council, 49; respective jurisdictions of Assembly and Council, 50; the Secretariat, reduction of armaments and arbitration of differences; registration of Treaties; mandatories, 51; social and economic reforms; technical organizations; meeting of assembly in Geneva, 52; election of permanent president; rules of procedure; official languages, 53; spirit of courtesy; the smaller nations, 54; publicity of proceedings; financing of the League, 55; Article X; Permanent Court of International Justice, 56
Auditor General's Report, delay, 915
Bounties, 1386
Flax and linen yarn, 1389, 1393, 1394
Brunelle, Sergt. Major N., 1519
Budget, 3156. Income tax, 3156. Brussels Conference, 3157; League of Nations, 3157; debt, increase in, 3158; tariff revision, 3159; exchange and credits

Foster, Right Hon. Sir George E.—*Con.*
Budget—*Con.*
system, 3160; Young Emergency Bill, 3160; protection, 3161
Business of the House
Announcement of for to-morrow, 1026
Legislation pending, 4068
Progress in, 1230
Butter and cheese exports, 1470
Canada Grain Act, administration, 1442
Canada-West Indies Trade Agreement, 1557, 2191, 2251-62, 3703. *See also* West Indies steamship service
Canada Year Book, 1231, 1425
Canadian Engineering Standards Association, 1426
Canadian National Railways
Management — Information, M. (Mr. King) 1207
Cattle embargo, 711
Census commissioners and enumerators, 597, 696, 735, 806, 1209, 1226, 2098, 3260, 2843, 2874, 3807
Missisquoi, 1132, 4113
Moncton, 3972
Pontiac, 1127, 1231
Civil Service Act Amdt. Bill, 2842-74
Civil Service
Bonus, 1463
Griffenhagen and Associates, 1555, 4555
Reorganization, 4555-6
Civil Service, Political Patronage, Res. (Sir Sam Hughes) 802-3
Customs and Excise Dept. Bill
Invoice certificate, 3791-3809
Fee—who pays? 3792-9, 3804, 4389-95
Form of, 3799
Imports and exports, 4398
Proclamation of Act, 4394; Amdt. 4407
Revenue and expenditure, 4399
Trade agents, 3791-3809
Certificate of, 4389-94
Trade commissioners, 4394
Trade, extension of, 4394-8
Debates, translation of French speeches, 701
Dominion Elections Act Amdt. Bill (Prohibition plebiscite) 307
Dominion Lands Act Amdt. Bill, 4062-6
Editorial Committee, 4559
Estimates
Committee on, 2206-8
Procedure, 1385
Statutory payments, 1414
Exhibitions, 1466
Canadian goods, 1227
Flax bounty, 1403. *See also* under this title Bounties
Fox breeding, 1429
French Trade Agreement, 1174, 1573, 1557, 2125-41, 2152

Foster, Right Hon. Sir George E.—*Con.*
French Trade Agreement—*Con.*
Printing, 1380
Fruit, co-operative effort, 1470
Grain Act, administration, 1442
Grain
As security for Dominion notes, 1443
Chemistry—Dr. Birchard, 1228
Elevators, 1442
Grading, 1230
Inquiry, remuneration of Commissioners, 3972
Griffenhagen and Associates. *See* under this title Civil Service.
Hides, inspection, 1437
Income Tax Act Amdt. Bill, 4345-51
Industry
Encouragement of, 1469
Government aid to, 1397
Inspection of Gas and Gas Meters Bill, 351, 607, 2944
International Customs Tariff Bureau, 1437
International Trade Conference, 2151
Judge Snider's Report, 3761, 4062
Labour—Mr. Lapointe, 3584
League of Nations, 47, 2356-73
Macallum, Dr., 1433
Motion picture films and exhibits, 1232, 1466
National Research Institute, 2688, 2708, 2892-7. *See also* Research
Newfoundland railways, 1485
Patent Act Amdt. Bill, 4453-60
Patents of Invention Act Consolidation Bill, 303, 2890-1
Pensions Act Amdt. Bill, 4368
Petroleum bounties, 1413
Prime Ministers' Conference, 2662
Printing Bureau, destruction of documents, 4559
Publications, printing, 1438
Research, industrial and scientific, 1426
Research Council Act Amdt. Bill, 2566; 2688, 2892. *See also* under this title, National Institute
Returned Soldiers Insurance Act Amdt. Bill, 4355
Searls, Mr. George, Chief Grain Inspector, 1444
Shipbuilding, 1938, 1972
Statistical Department, 1231
Statistics Act Amdt. Bill, 3007
Statutory expenditure, 1420
Steamship Services
Australia-New Zealand, 1493
Murray Bay-Tadoussac, 1826
West Indies, 1488, 1491
See also under this title Trade
Terminal elevators, 1463, 1464, 1442
Timber culling, 1426

Foster, Right Hon. Sir George E.—*Con.*
Trade
Australia, 1468
Russia, 1003, 1072
South Africa, 1491
United States, 1219, 1468, 1475. *See also* Customs and Excise Dept. Bill
Trade and Commerce
Department
Director of Commercial Exhibits, 1226
Educational films, 1225, 1466, 1558
Patent and Copyright Branch, 1496
Salaries, 1218
Tariffs division, 1226
Weights and Measures, 1485
Trade Commissioners, 1219, 1224, 1391, 1464, 1479. *See also* under this title Customs and Excise Dept. Bill
Trade Mark and Design Act Amdt. Bill, 229; 2891
War Indemnity—Canada's share, 3583
West Indies
Cable, 1438
Steamship service, 1488, 1491
Trade agreement. *See* under this title Canada-West Indies
York-Sunbury, French-Canadian Minister, 3638

Foundation Company of Montreal, payment to, qu. 4541

Fournier, Mr. C. A. (Bellechasse)
Address in reply to Governor General's Speech, 203; speech from the Throne a "negligible document"; Government incapable of dealing with pressing issues; unemployment and soup kitchens; 203; League of Nations an ideal distant and unattainable; disarmament, 204; Administration's arguments for retaining office; inconsistency of Minister of Immigration; issue not the tariff but vindication of constitutional rights, 205; no general election held on last redistribution; crime of the junkers, fire-eaters and reactionaries; assault on national unity, 206
Agricultural expenditures, 1029
Bankruptcy Act Amdt. Bill, 2910
Canadian National Railways
Special Committee, reference to, M. (Mr. Meighen) 1799
Civil Service, Political Patronage, 836
Highways in Quebec, 3030
Opium and Narcotic Drug Act Amdt. Bill. 2266
Parliament buildings, expenditure, qu. 4341
St. Michel wharf, Res. 967, 3991
Weekly bulletins, 1231

Fox Bay, squatters, 1514

Fox-Breeding, grant for, 1428

France
Amount of credit to, qu. 2622
Ministers, appointment of, 1154
Senate in, 1165
State-owned fleet sold by, 1718
Treaty with. *See* French Trade Agreement

Franchise. *See also* Canadian Nationals; Dominion Elections Act Amdt. Bill; Naturalization; Proportional Representation

Franco-Canadian Commercial Agreement. *See* French Trade Agreement

Fraser, Mr. Evan E. (Welland)
Dominion Elections Act Amdt. Bill
Hours of polling in municipalities near international boundary, amdt. 4245
Returned Soldiers, employment on Welland Canal, 3001

Fraser, Mr. Roy, 2860-8

Fraser River
International Commission, 2189
Snag boat, 3978

Fredericton Experimental Farm, qu. 1131

Free Trade, 4419. *See* Address; Budget

Freight Rates, 214, 484, 3474. *See also* Railways; Transportation; Canadian Government Merchant Marine; Canadian National Railways
Discrimination in, 1232
Increase in, 341, 389, 538, 3263
Ocean, 1734, 1946
Pulpwood and saw logs, 2511

Freight Ships. *See* Canadian Government Merchant Marine; Shipbuilding

French Canadians, 3594
Appointments to office, 355, 510
League of Nations, representation on, 552
United States in, 1483, 3675

French Language, 3824, 3972, 4543
Address not moved or seconded in, 138, 223, 280, 385, 539.
Bankruptcy Act Amdt. Bill, French Version. *See* that title
Bill not printed in, 649, 1095
Board of Trade reports, forms, 2819, 3320-75
Canadian National Railways
Conductors,, waiters, printing, 1782, 4329-33
In Quebec and New Brunswick, 4328

French Language—*Con.*
Debates, Official Report of, translation of French speeches M. (Mr. Archambault) 698; agreed to, 702
Election proclamation, 553
Estimates, printing and discussion in, 1386
Fuel Supply, Special Committee, evidence, 4251
Income tax instructions, 2626
Interior Dept. publications, 1333
Parliament buildings
Inscriptions
Central column, qu. 568
Tower, 3995-8, 4543
Pensions, application forms, qu. 965
Questions to immigrants, 779, 3824
Use of in debate, 539

French Parliament. *See* Ministers

French Purchasing Commission, 3172
Letter of Minister of Customs to, 3079

French Trade Agreement
Copy of
M. for, 578, 607, 766, 2193
Tabled, 1271
Inquiry as to date of, 1174
Printed copies, 1351, 1380
Terms and signature, 1185

French Trade Agreement Bill
Res. 1557; 1r., 1573; 2r., com., 2125; 3r., 2152

French Version, 3144. *See also* Bankruptcy Act Amdt. Bill

Fripp, Mr. A. E. (Ottawa)
Canada Highways Act, qu. 1237
Cartier square, Ottawa, stores shed, qu. 3208
Civil Service
Political patronage in, Res. (Sir Sam Hughes) 792; Civil Service Act; patronage not abolished, 792; classification, Arthur Young & Company; Griffenhagen; Printing Bureau; Mr. Wolffe; destruction of documents; patronage exercised by irresponsible persons, 793; outside service; cost; efficiency not increased, 794; unrest; Federal Union No. 66; reorganization by deputy ministers, 795
Reorganization, qu. 600
Superannuation, application for increased allowances, qu. 2099
Civil Service Act Amdt. Bill, 4481
Daylight saving in Ottawa, qu. 2687
De Martigny divorce, 3715, 4004
Gilmour and Hughson Bill, 1096
"Niobe" and "Rainbow," sale, 4010-15
Right of House to review action of Private Bills Com., 4004

Frontenac Breweries, Limited, 1611

Fruit. *See also* Apples
Berry boxes, 4106, 4114
Cold Storage, 1041
Duty on, 126, 164-8
Growing, 1469, 3354
In British Columbia, 9-10
Inspectors, 1041, 1042-3, 1045
Preserved, 3703

Fruit Marks and Sale Act, 1041

Fuel Control, 2944. *See also* Coal

Fuel Supply Problem. *See also* Coal; Lignite; Mines and Minerals; Natural Resources
Special Committee, M. (Mr. Steele) 1247; appointed, 1439; withdrawn, 1857; Mr. Chisholm substituted for Mr. Lemieux, 2148; Evidence, printing and distribution, 2027, 4250

Fulton, Mr. F. J. (Cariboo)
Address in reply to Governor General's Speech, 206; issues proposed by Opposition, 206; congratulations to mover and seconder; reasons for opposing amendment; no demand for immediate election; assertion that Government has usurped powers, 207; war not only issue of 1917 election; problems arising out of war; changes in personnel of Government; constitutional right of Government to carry on; British and other precedents, 208; conduct of Sir Wilfrid Laurier in 1911; the reciprocity question, 209

Fumigation of Nursery Plants, 1028, 1031

Fur-bearing Animals, Conservation Commission, 3965

Furness-Withy Company, 1712

Gambling. *See* Criminal Code Amdt. Bill

Game
Conservation Commission, 3965. *See also* Migratory Birds; National Parks

Gaols. *See* Prisons

Garbage Feeding. *See* Hog Cholera; Health of Animals

Gas and Gas Meters, Inspection of. *See* Inspection

Gaspé
Railway facilities, 2507
Railway from Amqui to Gaspé Basin, 876, 881
Service, qu. 962
Timber and mineral resources, 875

Gaspé and Bonaventure
Fishing communities, 1038

Gaspé and Maisonneuve. *See* Maisonneuve

Gauthier, Mr. L. J. (St. Hyacinthe-Rouville)
Address in reply to Governor General's Speech, 74; comment on remarks of Mr. McMaster; demand for election in advance of redistribution; free trade, protection and the tariff, 74; fiscal policy of the Liberal Government; the late Hon. M. Tarte, 75; the Government's mandate ;increase of indemnity; precedents for retaining office; Liberals members occupying dual positions; member for Maisonneuve and Gaspé; "traitors and renegades"; Agrarianism a class movement, 79; Labour element, 80; isolation of Quebec; alliances of Laurier and Cartier, 81; Ontario natural ally of Quebec, 81; accusations answered; La Société des Artisans Canadiens Francais, 82; a "solid bloc" no longer possible; Quebec must have representation in public affairs, 86; the hour of Quebec has struck; Lafontaine, Cartier, Laurier; the Baptist preaching the coming of the Saviour, 87; gospel of toleration and self-respect, 88
Canadian National Railways
Management, Information — M. (Mr. King) 1196
Special Committee, reference to, M. (Mr. A. K. Maclean) 1583
Highways; Quebec-Montreal-Sherbrooke, 4305
Maisonneuve and Gaspé, representation, 2338
References to, 421, 446, 514, 535, 559, 3215

Gauthier, Mr. L. J., and Montreal Progressive Club, qu. 1131

Gauvreau, Mr. C. A. (Temiscouata)
Address in reply to Governor General's Speech, 385; address not moved or seconded in French; Government has not confidence of country; voice of the people; the Press and by-elections, 385; unpopularity of Government; usurpation of power; Prime Minister's attitude towards Quebec, 386; Canadian National Railways deficit; treatment of old employees; clamour for general election, 387
Business of the House
Monday, Government business, 2148

Gauvreau, Mr. C. A.—*Con.*
Canadian National Railways
Intercolonial
Section men, qu. 2028
Superannuation of employees, qu. 575
Section men, 1439
Canadian Nationals Definition Act, 2033
Census officials, 597
Civil Service Retirement Act, qu. 374
Civil Service Superannuation, qu. 734, qu. 967
Customs officer, Riviere du Loup, 3083
Farmers' sawlogs, 3743-4
Indians at Temiscouata, 2168
Macdonald, Hon. Senator, appointment of, qu. 577
Post Office Act Amdt. Bill, 2121
Sully station, 1822

Geodetic Survey, 2806
Report, 4340

Geological Survey, 2141-62. *See also* Mines and Minerals
Below normal strength, 870
Survey of Northern Canada, 856

George, Mr. A. D., qu. 1233

Georgetown wharf, 4564

Georgian Bay Canal, 212, 298, 679, 688, 745, 751, 755, qu. 2625, 3678. *See also* Great Lakes-St. Lawrence
Montreal, Ottawa and Georgian Bay Company, 229, 598, 1270

Germany
Commodity prices, 4431
Competition from, 3177, 4424
Cost of labour in, 4425
Enemy debts, 4534
Exports to Canada, 4426
Imports from, qu. 696, 838
Holdback, qu. 1350
Marking of. *See* Customs Tariff, Imported Goods
Labour conditions, 4425, 4428
Mark, 3810-19, 4421, 4431. *See also* Customs and Excise Dept. Bill
Reparation, 98, 599, 4423-9
Canadian claims, 643, 3583, 4534
Trade with. *See* Customs and Excise Dept. Bill

Gervais, Mr. Theodore (Berthier)
Berthierville telephone, qu. 1233
Tobacco
Excise taxes on, qu. 1236
Growing, qu. 1500

Gilmour and Hughson, Limited. *See* Private Bills Discussed

Gladstone, Mr., and Thrift, 1169, 3640

Gladu, the late Mr. Joseph E. O., tribute to, 3, 153, 292, 430

Glanders. *See* Health of Animals

Glass, Mr. S. F. (East Middlesex)
Experimental farms, 938
Flax industry, 931, 1399, 1408, 4455-8
Imports, per capita, 3415
Income Tax Act Amdt. Bill, 4349-52
Oleomargarine Act Amdt. Bill, 3868-95
Patent Act Amdt. Bill
Flax, process of retting, 4455-8
Nolan Act, 4454
Right to continue to manufacture, 4454
Right to revive patent, 4454
Treaty of Versailles, 4453
Poultry industry, 939

Glass Industry, 3484

Gold
Melting down, 2160, 2269
Reserve, Dominion notes and, qu. 1234
Standard, 2269. *See also* Currency

Gold Seal Liquor Company, 4375. *See also* Canada Temperance Act

Good Roads Convention, 4300. *See also* Highways

Goods, new and unused. *See* Customs and Excise Dept. Bill

Gordon, Mr. G. N. (West Peterborough)
Bankruptcy Act Amdt. Bill, 2915-22
Budget, 3543. Will affect milling industry, 3543; packing business in cereals, 3544; sales tax and package business, 3545; Minister of Immigration and Liberal party, 3547; Mr. W. F. O'Connor, 3548; Peterborough strike, 3549; unrest and wages, 3549; inconsistency of taxation, 3550
Civil Service Bonus, 2111
Criminal Code Amdt. Bill, 3910-20
Juvenile deliquents, spanking, 3920
Military and civilian caretakers, qu. 4340
Militia Department
Employment of women, 2286
"Niobe" and "Rainbow," sale, 4024
Oatmeal and package foods, 3543, 3736
Permanent Court of International Justice, 2727
Shipbuilding, 1968
Trent Canal, 2953-9, 2976
Unemployment relief to returned soldiers, qu. 4253

Gouin, Sir Lomer, 1825

Gould, Mr. Oliver R. (Assiniboia)
Address in reply to Governor General's Speech, 335; speech of Mr. Scott; quotation from speech of Mr. Clark (Red Deer); Premier of Ontario; dissolution, 335; speech of Mr. Crerar; congratulations to Prime Minister; members elevated to Cabinet rank, 336; Mr. Stacey; Tariff Commission, 337; the amendment; "want of confidence" argument; faith with the people broken; suggested fusion of Liberals and Progressives; platform of Canadian Council of Agriculture; Liberal platform of 1919, 338; agreements and differences, 339; Canadian Wheat Board; decline in price of wheat; participation certificates, 340; freight rates; Advisory Council of Scientific 3666; manufacturers and United Farmers, 3667
Budget, 3662. United Grain Growers, 3662; Mr. Steven's remarks on York-Sunbury election, 3662; new methods of taxation, 3663; taxation and large banking institutions, 3664; land taxation, 3664; agricultural losses from insect pests, 3665; Tariff Commission, 3666; manufacturers and Grain Growers' Association, 3667
Export liquor licenses in Saskatchewan, qu. 838
Farmers in Canadian Expeditionary Force, qu. 1349
Grasshopper plague, qu. 838, 1028, 3665
Horse clubs, 1120
Income tax, 2107
Insect pests, 930, 3665
Military district No. 12, 2379
Military expenditures, 2792
Military preparations, 2298
Natural Resources, transfer to western provinces, 1339
Reciprocity agreement with United States, 2072
References to election, 368, 391, 438
Saskatchewan Militia organization, 2792
Smallpox on Scandinavian, 1498
Wheat Board and Progressive party, 1455

Governor General
Acknowledgment of address in reply to Speech, 3830
Address to on retirement, 4433, 4493
Cars, 3037
Lord Burnham, suggested appointment of, qu. 599

Governor-General—*Con.*
Lord Byng—reported appointment, 4435
Announcement of appointment, 4541
Message from, 4169, 4289
Prorogation, 4577
Speaker's Chair, speech on presentation, 3696
Speech on opening of Parliament, 2; relative prosperity of country; revenue maintained; taxes remitted; measures to relieve unemployment; unemployment insurance and old age pensions; British West Indies; Assembly of League of Nations; Tariff revision; Commission of Conservation; Dominion Elections Act; Canada Temperance Act; Copyright; Income War Tax Act; Scientific Research, 2

Governor in Council, specific power to pass Orders in Council, 1098

Government
Attitude of in regard to information, 1739
Borrowing from. *See* Housing; Loans
Buildings, Civil Service, meetings in, qu. 3421
Control of steamships, qu. 3530
Policy with regard to Estimates, 1026
Railways and ships, 1895. *See also* Canadian Government Merchant Marine; Canadian National Railways
Responsibility to Parliament, 1197, 1098, 1192, 1213, 1186
Shipbuilding programme, 1858. *See also* Shipbuilding
Ships. *See* Canadian Government Merchant Marine

Grade Cattle. *See* Health of Animals

Graham, wharf, 3978

Graham, Mr. A. M., 2618

Grain Act. *See* Canada Grain Act

Grain and Grain Trade, 316, 335, 390, 395, 396, 399. *See also* Agriculture; Address; Budget; Canada Grain Act; Canadian Wheat Board; United Grain Growers
Assignments of grain and produce as note securities, 1443
Car shortage, 512, 549. *See also* Railways; Transportation
Carriage on Great Lakes, 1915, 3371. *See also* Great Lakes
Certificates, 1451
Commission to investigate, 342, 493, 510, 513, 539, 549, 2247. *See also* Grain Inquiry Commission
Crushed grain, 3745
Dockages, 3633-34
Elevators, 277, 278
Country, 278

Grain and Grain Trade—*Con.*
Elevators—*Con.*
Overages, 3634
Quebec, 282, 1443
Saskatchewan So-operative Elevator Co., 391
Terminal, 278, 1442
Weed seeds in, 289
Exchange, 277. *See also* Winnipeg Grain Exchange
Export, 3045
Freight rates, 999, 3392
Lake, 1915, 2963, 3371. *See also* Canals; Canadian National Railways; Great Lakes-St. Lawrence; Hudson Bay Railway
Grain Growers' Grain Company, 288, 391, 3180, 3357, 3587, 3662, 3667. *See also* Address; Budget; Progressive Party; United Grain Growers
Agricultural implements and, 418, 491, 3372, 3492
Grain Growers' Guide, 391, 420, 3360, 3393
Inspection. *See* Canada Grain Act
Marketing, 346, 377, 383, 438
Moisture in grain, 1445
Montreal, handling at, 3371
Northwest Grain Dealers' Association, 277, 297, 379
Overages, 316, 1463, 3181, 3634
Screenings, 3182
Seed Grain Advances, 4498, 4506
Shipments
By American ports, 1975
Freight cars for, 3541
Staples, Mr. W. D., 3260
Supervisors, 439
Surplus fund, 1446
Tests, 1228
Transportation, 999, 2962, 2963, 2984, 3370. *See also* Canadian National Railways; Canals; Great Lakes-St. Lawrence; Hudson Bay Railway
United Grain Growers' Company. *See under* this title Grain Growers
Winnipeg laboratory, 1228

Grain Inquiry Commission, 278, 279, 441, 493, 1447, 1674, 2116, 2295, 3417
Counsel, Secretary, cost of, qu. 2625
Remuneration of Commissioners, 3972
Staples, Mr. W. D., qu. 3260
Winnipeg laboratory, 1228
See also Grain and Grain Trade

Grand Etang
Bridge, 3987
Light, 1997

Grand Trunk Arbitration
Board, salary of, qu. 1130

Grand Trunk Arbitration—*Con.*
Correspondence, 1619
Exchequer Court, Chief Justice, 1084
Expenses, 4335
Extension of time, 1498
Newcombe, Mr. E. F., qu. 1002
Obligations under agreement, 2030
Pensions, qu. 964
Progress of, 3321
Revival, 4436
Subsequent correspondence tabled, 3738
Taft, Hon. W. H., 4158
Tilley, Mr. W. N., K.C., qu. 1001
White, Sir Thomas, 464, 1294

Grand Trunk Arbitration Bill
1r., 2247; M. for 2r., 2346; 2r., 2445; com., 2450, 2560; 3r., 2566; Senate amdts. 2977, 2821
Agreement to revive and continue Arbitration to be made before May 16, 1921, 2474
Extension of time, 2450
Immediate possession and control, 2248
Letter of Messrs. Kelley and Phippen, 2454
Power to continue arbitration, 2248
Powers and duties of arbitrators to continue if Governor in Council extend time, 2476
Preamble, 2450
Request for delay, 2376

Grand Trunk Pacific Railway. *See also* Canadian National Railways; Grand Trunk
Betterments, 1015
Borrowing, 3291
Cost of, 1614
Deficit, 1005
Equipment, details of, 1015
Improvements, 1018
Loan of $89,687,633.39, 4331
Amended item, 4168, 4288, 4313
Loan of $26,000,000, 4169, 4288, 4334
Mileage, 1005
Operating results, 1014

Grand Trunk Railway
Acquisition of, 3118
Alleged request for assistance, 1498
Amount due by United States Government, 4135
Board of Directors, 4142, 3741
Bonds, issue and sale, qu. 837
Building of, 1584
Coal mines in United States, 4316
Control, qu. 697
Details of expenditure of $25,000,000 advance, 4143
Employees
Pensions, qu. 964

Grand Trunk Railway—*Con.*
Equipment trust certificates, qu. 604
Estimated cash requirements, 4140
Estimates for, 1864
Guaranteed advances to, 4139
Guaranteed bonds, sale of, qu. 604
Interest, alleged default, 1498
Lines in the United States, 4326
Central Vermont, 4327
Loan of $89,687,633.39, 4131, 4334
Amended item, 4168, 4288, 4313
Details of, 4144
McAdoo award, 4143
Management and details, 1008
Operating charges, qu. 1132
Operating results, 4319
Portland terminus, 1384, 4316-27
Running rights Richmond to Quebec, qu 964
Shareholders
List of, 3320, 3560, 3740
Voluminous return, 3697

Grasshopper Plague, qu. 838, 930, 1027, 3665. Insect Pests. *See also* Destructive Insect and Pest Act

Graving Dock Company. *See* Halifax

Grazing
Blood Indian reserve, qu. 1817-19, qu. 2098, 2618, 2374. *See also* Indians
Leases, 335
Forest reserves, 383

Great Britain. *See also* Shipping; Trade
American wheat, sale to, 1449
Apple exports to, qu. 1051, qu. 1714
Butter and cheese exports, 1471
Cattle, live, export to, 1474. *See also* Cattle Embargo
Decline of agriculture in, 3185
Tonnage, disposal of, 1718
Trade agreement with Russia, 1003

Great Lakes
Canadian Government Merchant Marine, and, 1913, 2192, 2969

Great Lakes and St. Lawrence Waterway
Chicago Drainage Canal diversion, 186, 2225
Motion (Mr. Keefer) for Special Com., 674-95, 738
Withdrawn, 757

Great Northern and Lake St. John Railways, 281

Great War Veterans Association, 105, 214
Civil Service Act Amdt. Bill, 2855-81. *See also* that title
Dominion Housing scheme, 4049. *See also* Housing
Early General election, 455

Greece and Roumania. *See also* Roumania
Dominion Canners, purchasers from, qu. 1001
Loans to, qu. 1236

Grenville Canal. *See* Canals

Griesbach, Mr. W. A. (Edmonton West)
Alberta Supreme Court, qu. 576
Canadian National Railways
Provincial liabilities, qu. 2942
Civil Service Act Amdt. Bill, 4284-7
Civil Service (Res. Sir Sam Hughes) political patronage; present system preferable; Civil Service Commission; Federal Union No. 66, 825
Disability pensions, qu. 1235
Immigration, 3070
Migratory Birds Convention Act Amdt. Bill, 2891
Military preparations, 2299
Militia staff, 2793
Oil and Gas leases
Bounties, 1387, 1413
Delay in issuing, 2029
Payments under, qu. 734, qu. 673
Surface rights, 579
Prime Ministers' Conference, 2639
Ross Rifle, 2784
Royal Military College, 2805
Y.M.C.A., qu. 1625

Griffenhagen and Associates, 1555, 2781, 2827, 4277, 4465, 4514, 4555. *See also* Civil Service Act Amdt. Bill; Civil Service, Reorganization, Post Office, Printing Bureau
Employment of, 517, 551, qu. 1821
Officials detailed to assist, qu. 600
Payments to, qu. 4251
Penitentiaries, 1111

Griffin-Boscawen, Sir Arthur, 1156

Gulf of St. Lawrence Navigation Company, 1981

Gutelius, Mr., Intercolonial Railway, 1847

Guthrie, Hon. Hugh (Minister of Militia and Defence and Acting Solicitor General)
Address in reply to Governor General's Speech, 415; divergence between reasons advanced by leader of the Opposition and Mr. Clark (Red Deer) in support of amendment; the fiscal question, 415; trade policy of Great Britain; adverse balance of trade; exchange situation, 416; purchasing from United States; United Grain Growers; tariff, policy of Farmers' party; South York speech; Mr. Rice Jones; statement

Guthrie, Hon. Hugh—*Con.*
Address—*Con.*
compared with evidence before Tariff Commission; United Grain Growers machinery almost all from the United States, 418; farmers demand for free implements; millions going out of country; why not buy in Canada; 419; did not say Farmers party a "menace"; tariff; position of Farmers' party, 420; Mr. Drury; the official Opposition; Mr. Gauthier; balance of trade; Canada's indebtedness largely to her own people, 421; Liberal Convention of 1919; tariff plank; Liberal Government was protectionist, 423; the amendment; British and Canadian precedents for Government's continuance in office, 424; who is clamouring for election? 426; by-elections; leader of Opposition represents only remnant of Liberal party, 427; amendment to the amendment (Mr. Campbell) 428; redistribution; rural and urban representation, 429
Air Board, 3776-85
Armistice Day Bill, 3773-5
Armouries for public meetings, 902
Bankruptcy Act Amdt. Bill, 2618, 2909-40, 3143, 4170
French version, 2557
Budget, 3267. Congratulations to Minister on financial showing; former surpluses did not reduce national debt, 3268; Brussels Conference; military expenditure, 3269; comparison of military expenditure by countries, 3271; returned soldiers and military training, 3279
Chief Electoral Officer, reports, 731
Civil Service Act Amdt. Bill, 2780
Civil Service classification and bonus, 2237
Civil Service Retirement Act Amdt. Bill, 4270
Corrupt Practices at Elections Bill, 1126, 2036
De Martigny divorce, 3771, 4203
Demobilization, 2286
Dominion Elections Act Amdt. Bill (Prohibition Plebiscite) 244, 259, 303
Dominion Elections Act Amdt. Bill 2775, 2944, 3091, 4228-48
Advance polls, 3099
Amendments to writs, 3100
Certificate to women voters, 3111
Disqualified voters, 3099
Election officers, disqualification, 4245
Foreign-born wives and children of British subjects, 3109, 4233

Guthrie, Hon. Hugh—*Con.*
Dominion Elections Act Amdt. Bill—*Con.*
Naturalization—certificate of qualification
Amdt. (Mr. Euler) 4233
New forms, 3100
Nomination and polling day, 3096
Nomination paper, 4246
"Personally naturalized," 4244
Polls, hours of, 3095
Qualified voters, 3096
Recount, 3097
Returning officers' report, 3098
Revising officers, 3091, 3101
Voters, identification of, 3093
Franchise Act—foreign agitators and elections, 903
Judges' Act Amdt. Bill, 2118
Military expenditure, 2301, 3269, 3551
Military Service Act, claim for services, 2807
Militia
Annual drill, 2294
Cadet services, 2296
Command pay, 2290
Employees, increase in number of, 2014
Employment of women, 2286
Estimates, 2234-46, 2275-2310, 2781
Permanent Force, 2239, 2788
Purchasing Commission, 2239
Record Office, 2280
Sale of supplies, 2244-5
Staff, 2787-95
North American Trust Company, 1094, 1129
Pensions
Deduction from pay of Permanent Force, 2236, 2275
South African, 2278
Polish battalion for service in French army, 4052
Post Office Act Amdt. Bill, 2120-25
Quebec citadel, 1442
Fortifications, 968
Returned Soldiers' Insurance Act Amdt. Bill, 4261
Ross rifle, 2783
Royal Canadian Mounted Police, strength, 2800
Royal Military College, 2802
Soldiers' pensions, insurance and re-establishment, 4052
Tapley, W. H., case of, 972
Winding-up Act Amdt. Bill, 2158

Halbert, Mr. Robert H. (North Ontario)
Address in reply to Governor General's Speech, 500; criticisms of Farmers' party; Colchester and East Elgin; election demanded by people; by-elections, 501; redistribution; great issues at stake; farmers' part in national development; unity and agreement as to national ideals, 502; equal rights to all; protection and class privilege, 503
Royal Canadian Mounted Police Act Amdt. Bill, 2485

Half Island Cove, breakwater, 3981

Halifax
Canadian Government Merchant Marine, registration of vessels, 1720
Dockyards, 4017-36
Explosion, 1699
Fisheries award, qu. 2191
Graving Dock Company, qu. 567, 1690, 1698, 1861. *See also* Drydocks; Shipbuilding
Harbour, government ships at, 1940
Naval College, 4010
Newspapers and merchant marine, 1705, 1706, 1928
Ocean terminals, 1017
Quarantine station, 2754
Roy Building, qu. 3089
Shipbuilding at, 1689, 1921. *See also* Shipbuilding
Shipyards. *See* Shipbuilding

Hall Engineering Company, qu. 695

Halladay, Mr. H. H. (Bow River)
Address in reply to Governor General's Speech, 334; congratulations to Prime Minister; the amendment; mandate of the Government; election; the ins and outs; redistribution; Grain Commission, 334; price of wheat; the cattle industry; grazing leases, 335
Canadian Northern Railway, Hanna-Calgary line, 3048
Destruction of documents, qu. 604
Immigration, 2590

Halladay, Mr., Canada Cycle and Motor Company, address, 1227

Hamilton-Brantford Highway. *See* Highways

Hanna, Mr. D. B., 381, 1191, 1609, 1658, 1774, 1801, 1852, 3051, 3406, 3499, 4315, 4328. *See also* Canadian National Railways
Business interests, 3610

Hansard. *See* House of Commons, Debates

Hanson, Mr. R. B., and York-Sunbury election, 3639. *See also* York-Sunbury

Harbours. *See* Canada Shipping Act. For Individual harbours, *see their titles*

Harbours and Rivers, 3973-82, 4097, 4536
Estimates, amdt (Mr. Pardee) 3979
Manitoba, 3975
Nova Scotia, 3959
Ontario, 3973
Prince Edward Island, 3990
Quebec, 3991

Harding, Mr. R. T., payments to Judges, qu. 1500

Harling, Mr. Thomas, 1981

Harold, Mr. John (Brant)
Binder twine fibre, 3746, 3756, 3505
Budget, 3500. Canada's financial position; manufacturing industries, 3501; tariff problems, protection and free trade, 3502; manufacturers' profits, 3503; tax upon profits, 3504; customs tariff, binder twine, 3505
Customs and Excise Dept. Bill
Express parcels, 4400
Impediment to business, 4400
Invoice certificate, fee, 4399
Trade agents, 4399
Proportional representation, 1544
Sales tax, 3754

Harrison, Mr. Charles R. (Nipissing)
Address in reply to Governor General's speech, 230; Grand Trunk strike in 1910, 230; the tariff; effect of Opposition policy on wage-earner; United States industries in Canada; unemployment, insurance and old age pensions, 231; what Government has done for labour; the Mathers Commission, 232
Canadian Northern Railway
Salaried officials, qu. 2942
Income Tax Act Amdt. Bill
Railwaymen's expenses while absent from home, 4352

Harrow Tobacco Station, 1076

Hawkins, Dr. Charles, and immigration, 3068

Hay, Mr. Thomas (Selkirk)
Address in reply to Governor General's Speech, 393; congratulations to Prime Minister; no great demand for election; side-stepping of Opposition, 393; tariff; office seekers and usurpers; the home market, 394; the grain trade; commission of inquiry; old age pensions and unemployment insurance; Prime Minister should carry on, 396
Dominion Elections Act Amdt. Bill, 4242
Disfranchising, 3112

Hay, Mr. Thomas—*Con.*
Dominion Elections Act Amdt. Bill—*Con.*
Naturalization—certificate of qualification
Amdt. 4242; agreed to, 4245
Hog cholera, compensation, 1065
Hudson Bay Railway, Amdt. 994
Imaginary letters, point of order, 3173
Oleomargarine Act Amdt. Bill, 3883

Hay and Straw Inspection. *See* Inspection and Sale Act

Hayter, Mr., auditor, 1668

Head Tax. *See* Chinese Immigration

Health. *See also* Immigration; Opium and Narcotic Drugs; Quarantine
Adulteration of food, 3129
Estimates, 2940-3127
Minister's statement, 3127
Medical inspection of immigrants, qu. 573 3128
Opium and Drug Act Amdt, convictions under, 3134
Quarantine stations, 3128
Report of, 1852
Research, 4464-78
Salaries, etc., 3127
Sick mariners, 3129, 3155
Smallpox on Scandinavian, 1498, 1556
Typhus in Europe, 643, 4534

Health of Animals, 926, 1048, 4506-13. *See also* Agriculture; Cattle Embargo; Live Stock
Accredited herd, 4506-13
Alderson, Mr. G. B., claim of. *See that title*
Compensation for slaughtered cattle, 1061
Glanders outbreak in Frontenac, 926
Hog cholera, 1050-9. *See also* Alderson
Increase in amount of item, 1064
Indemnity for diseased herds, 1048
Motions (Mr. Sutherland)
To reduce item, 1068
To strike out item, 4513
Tuberculosis, 4506-13
Veterinary system, 1058, 4508-13. *See also* Alderson

Hearst Publications, 4170

Heating. *See* House of Commons, Chamber

Henders, Mr. Richard C. (Macdonald)
Address in reply to Governor General's Speech, 272; protection of agriculture; tariff changes in the United States; the tariff, 273; the Government's mandate, issues of the election of 1917, 274; record of the Government; important measures passed, 275; the "want

Henders, Mr. Richard C.—*Con.*
Address—*Con.*
of confidence" cry; no popular demand for an election; no charges of maladministration or corruption; progressive legislation, 276; Canadian Wheat Board; Grain Exchange; Northwest Grain Dealers' Association, 277; uniform price quotations; elevators; profits; overages, screenings; enquiry suggested, 279
Agricultural machinery, standardization of parts, 669; Amdt. 670
Binder twine, 3748
Butter and oleomargarine, 3748
Civil Service Act Amdt. Bill, 2868-83
Dominion Elections Act Amdt. Bill, 4232
Lake of the Woods Regulation Bill, 4187
Wheat Board, 1454

Hepburn, Mr. W. B. R. (Prince Edward)
Dairy Produce Grading Bill, 4441

Hewitt, Dr. Gordon, the late, 1030

Hickman, Mr., alleged deportation of, qu. 575

Hides
Inspection, 1437
Prices of, 3317, 3370, 3491, 3667. *See also* Budget Speeches

High Commissioner in London, 2437

High Cost of Living. *See also* Address; Budget; Civil Service Retirement; Customs and Excise
Superannuated civil servants, 2491, 4275.

Highland Regiments. *See* Militia

Highways
Alberta, grants to, qu. 1821
Canada Highways Act, administration of, 4289
Approval of projects in Ontario, qu. 1237
Grants, qu. 567, qu. 2098
Commissioner, Mr. A. W. Campbell, 3023-4289
Expenditure, 2555
Good Roads Convention, 4300
Manitoba, proposed, 4308
Metapedia valley, qu. 2505
New Brunswick, approved, 4306
Nova Scotia
Approved and applied for, 4307
Highways Board, 4304
Ontario
Approved, 4295
Biggs, Hon. F. C., 4290, 4448
"Charge of the Road Brigade," 4300
Dundas Street, qu. 4252, 4299

Highways—*Con.*
Ontario—*Con.*
Dundas-Waterloo, 4298
Expenditure, 4289
Extravagance, charges of, 4304
Hamilton-Brantford, qu. 3582, 3904, 4252-3, 4290
Hamilton-Dundas, 4290
Hamilton-Kitchener, 4292
Hogarth, Mr., 4298
London-St. Thomas, 4307
London-Stratford-Sarnia, 4307
Maclean, Mr., 4298
Peel and Halton, qu. 4252
Price paid for expropriated land, 4291
Purchase of trucks, 4292
Relevancy of discussion, 4293-6
"The Roads that Biggs Built," 4302
Toronto-Guelph-Sarnia, etc., qu. 4252
Toronto-Kingston, 4306
Town of Dundas, 4298
Wages, 4291
Warren Paving Company, qu. 4252; 4291
Ottawa-Point Fortune, 4306
Overhead charges, qu. 4252
Prince Edward Island, aid to, qu. 2345
Projected roads, 3025
Quebec
Approval of, qu. 2098
Federal aid to, qu. 2344, 2375
Hull-Montreal highway, 3029, 4306
Hull-Wakefield highway, 3033-34
Lachine bridge, 4308
La Salle, repairing road in, 4313, 4333
Montreal-Sherbrooke, 4305
Quebec-St. Joachim-St. Simeon, 4313
Rougemont-St. Hyacinthe, 4305
St. Hyacinthe-Richmond, 4305
Saskatchewan, approved, 4307
Grants to, qu. 1820
Statement of highways under agreement or consideration, 4309
Width of, 4306

Hillsboro river dredging, 3984

Historical Publications, Board of, 2947

Hobson, Mr. Robert, 1609-10, 3407, 3610. *See also* Canadian National Railways

Hocken, Mr. H. C. (West Toronto)
Chief Justice, salary of, 1565
Civil Service Act Amdt. Bill, 2859-66
Copyright Amdt. and Consolidation Bill, 3844-50
De Martigny divorce, 4006-8
Fraser, Mr. Roy, and Civil Service Commission, 2860-8
Fuel Supply Problem, 1261

Hocken, Mr. H. C.—*Con.*
Housing, 1134, 1136, 1857
Judges Act Amdt. Bill, 1565
Lake of the Woods Regulation Bill, 4209-18
Parliament Buildings, book on, inquiry, 1175
Printing Bureau employees, qu. 1234
Quebec riots, 1510
Toronto post office, promotions, qu. 1673
Unemployment and immigration, 1378
Wednesday evening adjournments, 1838

Hog Cholera. *See* Health of Animals; Alderson

Holt, Sir Herbert, and shipbuilding, 1900

Home Brewing, 3788

Homesteads. *See* Dominion Lands

Hooper, Mr. Ronald, 1539. *See also* Proportional Representation

Horses. *See also* Live Stock
Blood Indian reserve, qu. 1817-19
Diseased. *See* Health of Animals
Docking of, 3922
Purchase of by British Remount Commission, qu. 4341

Hospitals
Alcohol, use of by, 3726. *See also* Inland Revenue
Marine. *See* Health

House of Commons. *See also* Deputy Speaker; Speaker
Adjournment to discuss matter of public importance, 4106
Adjournments
Ascension Day, 2688, 2941, 2998-3000
Easter, 1002
Victoria Day, 3531, 3698, 3738
Audibility of debates, 1625, 2252, 2269, 2385, 2892, 2941, 2989, 3998-4000, 4307, 4381, 4489
Bills
Introduction by consent, 2247
Private
Extension of time, 1625
Placed on order paper same day as reported, 3971
Procedure, 1128
Suspension of rule, 3582, 3715
Reported by Standing Com., 3761
Second reading by consent, 2889
Senate, delay in 1r., 1619
Business of the House
Alleged desire to hasten prorogation, 4068
British Practice to announce, 1026

House of Commons—*Con.*
Business of the House—*Con.*
Closure. *See* that title
Complaint of undue haste, 4068, 4449
Definite statement necessary, 1025
Division after a recess, 1383
For to-morrow, definite statement, 1025
Government, 1318, 1384, 2148
Legislation pending 2150, 2818-9, 4068
Mondays and Fridays, 1830, 1845
Government business, 2148
Order of, return incomplete, 2250, 2270
Progress of, 1842
Public Bills and Orders, 2819
Restriction of discussion, 1318
Rule 17C—Estimates on Thursdays and Fridays. *See* under this title Estimates
Saturday, on, 2777
Suspension of Rule, 103, 3582
To-morrow, for, 1025, 2148
By-elections, 217. *See also* under this title Vacancies
Dates, 903
East Elgin, 1293
Medicine Hat, 1174, 1293, 2151
Peterborough, 504
Yamaska, 4534, 4572-6. *See also* that title
York-Sunbury, 2151. *See also* that title
Chamber, temperature of, 1071
Closure. *See* that title
Committees, Select Standing, 3, 107, 303, 2776. For proceedings and reports, *see* titles of the several Committees
Liberty to sit during sessions of the House, 4338-40
Powers of, 110
Correspondence, unsigned, 2175
Debate, motion to adjourn by member closing discussion, 999
Debates, Official Report of,
Canadian Government Merchant Marine, errors in, 1697-8
Changes and corrections in 3716
Crerar, Hon. Mr., 3628
Documents not read, insertion of, 4308. *See also* Deputy Speaker; Speaker
Distribution of, M. (Mr. Prevost) 2220
French speeches, translation of, M. (Mr. Archambault) 698; agreed to, 702
Motion in different form from Votes and Proceedings, 1130
Owens, the late Thomas P., Editor, 258, 430
Speaker's Chair, address to be printed in, 3696
Staff—strain of long sittings, 2887
Decorum, conversation, 528. *See also* Deputy Speaker; Speaker

House of Commons—*Con.*
Divisions
Address, Amdt. (Mr. Mackenzie King) non-confidence, neg. 561
Budget, Amdt. (Mr. Fielding) neg. 3686-7
Canadian National Railways
Management, Information—M. (Mr. Mackenzie King) neg. 1215
Special Com., reference to M. (Mr. Meighen); Amdt. (Mr. Mackenzie King) neg. 1810; Main motion agreed to as amended, 1814
Civil Service Act Amdt. Bill
Amdt. (Mr. Maclean, Halifax)—six months' hoist, neg. 2886
De Martigny Divorce Bill
M. (Mr. Stein) agreed to, 4107
Dominion Elections Act Amdt. Bill (Mr. Guthrie)
Amdt. to 3r. (Mr. Euler) neg. 4249
Lake of the Woods Regulation Bill
Amdt. to 3r. (Mr. Pardee)—six months' hoist, neg. 4226
Oleomargarine Act Amdt. Bill
Amdt. (Mr. Denis) 3886—six months' hoist, neg. 3886
Prime Ministers' Conference
Amdt. (Mr. Mackenzie King) neg. 2679
Reciprocity—Amdt. to Supply (Mr. Fielding) neg. 2075
Representation in Parliament Amdt. (Mr. King) neg. 1329
Senate and House of Commons Act Amdt. Bill (Mr. McMaster) 665
Estimates. *See aslo* that title
Method of voting, 4033, 4117, 4569
Post Office, late date of submission, 4531
Rule 17C—Thursdays and Fridays, 958, 1004, 1073, 1215, 1217, 1385, 1682, 2103-4, 2887, 3001, 4544
Effect of passage of Interim Supply Bill, 2103, 2105
Right to call department when in Com. of Supply, 2888
Supplementary, inquiry, 4070
Imaginary letters, 3172. *See also* that title
Indemnity of Members, 4450-52
Internal Economy Commission, 3
Members
Attendance of, 1829, 1832, 1838
Deceased, tributes to
Gladu, the late Mr. Joseph E. O. (Yamaska) 3, 153, 292, 430
McLeod, the late Col. H. F. (York-Sunbury) 4, 153
Sifton, the late Right Hon. Arthur (Medicine Hat) 3, 153

House of Commons—*Con.*
Members—*Con.*
Deceased—*Con.*
Wallace, the late Mr. Thomas G. (West York) 152
Money resolutions, and, 1135
New
Election and introduction
Gordon, Mr., 258
MacKelvie, Mr., 1
McCurdy, Hon. Mr., 1
McDermand, Mr., 1
Wigmore, Hon. Mr., 1
Non-attendance on Mondays and Fridays, 1832-8
Resignation of. *See also* Representation in Parliament
Ames, Sir Herbert, 1001. *See also* that title
Maharg, Mr., 4340
Rowell, Hon. Mr., 4340
White, Sir Thomas, 1619. *See also* that title
Ministers to sit in either Chamber. *See* Ministers
Motions
For returns in general terms, 1555
Notices of sent in Advance, 1307
Pairs, correction of list, 563. *See also* under this title Divisions
Parliamentary Restaurant. *See* that title
Privilege
Archambault—Société des Artisans, 230
Clark, Mr., (Red Deer)—Address, incorrect report in Ottawa Citizen, 448
Denis, Mr.,—Immigration, misinterpretation of speech by Quebec newspapers, 3088
Desaulniers, Mr.
Correction, Montreal Gazette, 644
Name omitted from division list, 4255
Edwards, Mr.,—representation of Maisonneuve-Gaspé, 2247, 2310
Kay, Mr.,—Oleomargarine Act Amdt. Bill, vote on, 3971
Lapointe, Mr.
Alleged statement of Mr. Davidson regarding Liberal leadership, 2443
Correction of report in Ottawa Journal, 477
Explanation of remarks on Dominion Elections Act Amdt. Bill, 4543
National Catholic Unions, 3584
Meighen, Right Hon.,—York-Sunbury election, Hon. Mr. Veniot, 3716
Pedlow, Mr.,—Amendment incorrectly printed in Votes and Proceedings, 737

House of Commons—*Con.*
Privilege—*Con.*
Power, Mr.,—Withdrawal from Special Committee, Returned Soldiers, 789
Robb, Mr.,—Quebec bloc, 3261
Turgeon, Mr.,—Hon. Mr. Veniot, 3740
Wilson, Mr., (Wentworth)—Challenge to Hon. F. C. Biggs, 4448
Questions
Inquiry as to, 2943
Not answered, 1621, 1502
Returns
Alleged disobedience or neglect of order, 3320
Alleged imperfect, 2250-70
Inquiry for, 1176, 1499, 1502, 2688, 2775, 2777, 3008, 3320, 4255
Motions for in general terms, 1555
Reason for delay, 1555
Rules
Suspension of, 3582, 3715
Bills, first reading, 3716
17C. *See under this title* Estimates
Sergeant-at-Arms; Deputy Sergeant-at-Arms, 3
Sittings
Attendance at, 1844. *See also* under this title Wednesday evening
Duration of, 1330, 1828, 2438, 2736, 2750, 2772, 2887, 2998, 3000, 3900, 4169, 4420, 4449, 4531
All night
Government shipbuilding programme, 1858-2026
Saturday, 2777, 2818, 2941, 4338-40
Two o'clock, 2941, 3737
Wednesday
Two o'clock, 447
Evening, 1002, 1174, 1384
M. (Mr. Fielding) 1828; withdrawn, 1845
Staff
Law Branch, changes, 2685
Long sittings, 2887
Organization and compensation, 2441, 2685
Retirement Act, 4266-78. *See* Civil Service Retirement Act
Women workers, 4547
Supply. *See also* that title
Interim—Redlich, authority on, 1675
Procedure, 1215
Thursdays and Fridays—Rule 17C
See under this title, Estimates
Vacancies. *See also* under this title By-elections
Filling of, 1293. *See* Representation in Parliament

House of Commons—*Con.*
Vacancies—*Con.*
Leeds, 1293, 1619. *See also* White, Sir Thomas
Medicine Hat, 478, 1174, 1293
St. Antoine, 1001, 1069, 1293. *See also* Ames
Yale, 1
Yamaska, 478, 643, 1293. *See aslo* that title
York-Sunbury, 478,643, 1293
York, West, 478, 643, 1293
Writs, 643

House of Lords. *See* Ministers

Housing, 4362-8. *See aslo* Labour; Returned Soldiers; Unemployment
Dominion Housing scheme, 4049
Loan to provincial governments, 4552
Proposed establishment of a Federal Housing Board
M. (Mr. Hocken) 1134, 1152
M. as amended withdrawn, 1857

Howard, Mr. *See* Purchasing Commission

Hudson Bay Railway, 330, 538, 1578, 1961, 1966, 2969-80. *See also* Canals
Early resumption and completion, M. (Mr. Campbell) 974
Amdt. (Mr. Hay) 994; agreed to, 999
M. (Mr. Campbell) as amended, withdrawn, 1852-6
Expenditure actual and estimated, qu. 2623
Fort Churchill, 1966
Port Nelson, 1966
Selection of lands, qu. 672

Hudson, Hon. A. B., 4184-4213

Hughes, Hon. Sir Sam (Victoria)
Civil Service—Res.—Political Patronage in; fads and freaks, 789; uplifters; Outside Service; Civil Service Commission; Inside Service; Committee to investigate, 790; trust and mistrust; autocracy, 791

Hungry Bay road, 1661

Hunter, Dr. Andrew, fox-breeding, 1428

Hydro-Electric Power. *See* Fuel Supply Problem; Great Lakes-St. Lawrence

Hyndman, Judge, and Grain Inquiry Commission, 1674

Icebreakers, 1979
"Lake Champlain", 2174
"Montcalm", 1985
New, 1994
Thunder Bay, at, 2174

Ice-cream, tax, 3737, 3956

Iles aux Grues-Montmagny mail service 4529

Illegal Practices. *See* Corrupt Practices at Elections Bill

Illicit Still, innocent manufacture of part, 3788-3820

Imaginary Letters
Hon. Mr. Ballantyne, 3174-3209
Mr. McMaster, 3173
Speaker's ruling, 3260

Immaculate Conception, 2626. *See also* Civil Service, Religious Holidays

Immigration, 269, 3580. *See also* Canadian Nationals Definition Act; Chinese Immigration; Health; Unemployment
British, Inspector of, 3067
Central European, 2575-85
Chinese, 4131. *See also* Chinese Immigration
Continuous passage, 2580-6
Co-operation of railways, 4129
Emigration to the United States, 3068
Esmonde, Mr. Osmonde Grattan, arrest for sedition, 1556
Exhibitions, 3067, 4129-31
Expenditure, qu. 2943
German and Austrian, 3206
Halifax Quarantine Station, 2754
"Hand picking" of immigrants, 3203
Head tax, 3056
Hickman, alleged deportation of, qu. 574
Immigrants rejected, qu. 1624
Infection, danger of, qu. 272
Inspectors, 3067
Land settlement policy, 2581, 2588-9
Liberal administration, under, 3245
Loss of in Western Canada, 3373-4
Medical inspection of immigrants, 3128
Medical offices at ports of departure, 3132
Mental defectives, of, 3055, 3583
Money qualification, 2579-85
Nationality of, 3071
Oriental, 2584-94, 2595. *See also* Chinese Immigration
Partridge Island Quarantine station, 2808-15
Policy, 850, 861, 872, 879, 3205, 3249, 3256, 3580
Polish immigrants rejected, qu. 964
Restriction of, 507, 1127, 2568-77, 2585
Statistics, 3071-3073
Suspension of. *See* Unemployment
Typhus fever, precautions, 643, 4534
Western Canada Colonization Association, 2583

Immigration Act Amdt. Bill
1r., 3007; 2r., com., 3822; 3r., 3955; Senate amdts. 4343

Immigration Act Amdt. Bill—*Con.*
Subjects and Sections discussed:
Bill of health, 3824
Costs of appeal, 3823
Deportation after five years—cost, 3827
Hearing of cases, 3823
Investigation of complaints—deportation—cost, 3826
Landing of passengers, 3824
Medical examination, 3824
Non-immigrant classes, 3822
Possessing prescribed amount of money, 3825
Powers of Board exercised by officers in charge, 3823

Immigration Act Amdt. Bill (Deportation of Undesirables)
1r., 1497; order for 2r., stands, 1858. *See above* Bill

Immigration and Colonization
Department
Contingencies and general expenses, 4127
Deputy Minister, 3057
Estimates, 2568
Contingencies, 4131
Postponement of consideration, 3077
Quebec, officers at, qu. 1131
Salaries, 2568-2602, 3055, 3068

Imperial Bureau of Entomology, 1025

Imperial Conference, 526, qu. 564, 1073. *See also* Prime Ministers' Conference

Imperial Defence, 228, 270. *See also* Prime Ministers' Conference
Committee on, 2637-49

Imperial Federation, 159, 2423. *See also* Prime Ministers' Conference

Imperial Institute, 4499

Imperial Mineral Resources Bureau, 2164, 4498

Imperial Munitions Board, 1284. *See* Research
Shipbuilding, and, 1730, 1859, 1875

Imperial Oil Company, 3206. *See also* Oil; Petroleum Bounties

Imperial Relations, 247, 484, 519. *See also* Prime Ministers' Conference

Imperial War Conference, 1917, 2389
Res. 2626-36-48. *See also* Prime Ministers' Conference

Implement Manufacturers, 91. *See also* Agricultural implements

Imported Goods, Marking of, 3120, 3938. *See also* Customs Tariff Act, 1907, Amdt Bill

Imports. *See also* Budget; Customs; Trade
Foreign, value of, 3310
For home consumption, 1920, qu. 602
From Germany, qu. 838
From United States, 3409
German goods, holdback, qu. 1350
Invoice Certificates. *See* Customs and Excise Dept. Bill
Marking. *See* Customs Tariff Act, 1907, Amdt. Bill

Income Tax, 98, 402, 3229, qu. 3260, 3422. *See also* Budget; Taxation; Ways and Means
Canada and Great Britain, in, 3486
Chief Justice and. *See* Judges Act Amdt. Bill
Corporations, on, 3262
Exemptions, 1567
Forms, inquiry, 1176
Regulations, 1272
Returns, difficulty of making up, 3147

Income Tax Act Consolidation Bill, 3905
1r., 4251; 2r., com., 4343; 3r., 4355
Subjects and Sections discussed:
Administration, 4533
Direct taxation, 4344
Members' travelling expenses, 4349
Method of self-assessment and payment, 4345
Notice of assessment, 4353
Penalty for failure to file returns, 4343
Penalty for short payment, 4344
Railway men, expenses when absent from home, 4352
Salaries and indemnities of provincial ministers, 4351
Tax upon tax, 4349
Victory bonds, taxation of, 4353

Indemnity of Members. *See* House of Commons

Independence of Judges. *See* Judges Act Amdt. Bill

Independence of Parliament. *See* Representation in Parliament

Indian Affairs

Department of
Estimates, 2167, 2171, 4501

Indian Ford, 1055

Indians
Blood Reserve
Grazing leases, qu. 1817, 1818, 1819, 2098

Indians—*Con.*
Blood Reserve—*Con.*
Live stock, starvation of, qu. 2618
Sale of cattle, qu. 2374-5
Commissioner at Regina, qu. 964
Muscowegan reserve, 2171
New Brunswick, 4501
Prince Edward Island, 4505
Riding Mountain reserve, 2172
Sheridan, Mr. John, resignation and reinstatement, 2173, 2618, 4501-5
"Shows" for distinguished visitors, 2169
Tobique reserve—timber cut, 4503
Women, 3907

Indirect Taxation. *See* Taxation

Industrial Disputes Investigation Act, 4549

Industrial and Scientific Research. *See* Research

Industrial Councils. *See* Labour

Industrial Production. *See* Fuel Supply Problem

Industrial Property, International Convention for protection of, 230

Industrial Research Commission, Alberta, 1267

Ingonish-MacLeod's Breakwater, 4087

Inland and Coastwise Shipping Rates, 1497, qu. 2192, 2969. *See also* Railway Act Amdt. Bill

Inland Navigation, qu. 2192. *See also* Great Lakes-St. Lawrence

Inland Revenue. *See also* Customs and Excise Dept.; Customs Tariff

Inland Revenue Department. *See also* Customs and Excise Dept.; Customs Tariff
Excise taxes on tobacco, qu. 1236
Montreal officers, qu. 1820
St. Hyacinthe—Dr. Cartier, 3821, qu. 3904

Inland Revenue Act Amdt. Bill. (Forfeitures and Penalties—Mr. Archambault)
1r., 2247

Inland Revenue Act Amdt. Bill
Res. 3726; 1r., 3733; 2r., com., 3r., 3955
Subjects and Sections discussed.
Beer containers—marking, 3786
Illicit stills, 3786-3820
Increased jurisdiction in proceeding in summary convictions, 3786
Liquor, tax on, 3708
Tobacco and cigars—unlawful sale, 3786

Inquiry for Returns, House of Commons. *See* Returns

Insecticides, 1027

Insect Pests, 930, 1024, 3665. *See also* Destructive Insect and Pest Act; Entomology; Grasshoppers

Inspection and Sale Act
Administration, 1437

Inspection and Sale Act Amdt. Bills
Berry Boxes, 4106, 4114
Hay and Straw. 1r., 3319-20; 2r., com., 3r., 3759
Root vegetables, 4343

Inspection of Animals. *See* Cattle Embargo; Health of Animals

Inspection of Gas and Gas Meters Bill
1r., 351; 2r., 607; 3r., 2944

"Insular" Tribunal of England, 1090

Insurance. *See also* Fire Insurance; Returned Soldiers; Unemployment
Canadian, in foreign firms, 3469
Canadian Government Merchant Marine, 1278
Officers and seamen, 4359
Canadian National Railways, 1772
Fire, 3469
Fort Garry Hotel, Winnipeg, qu. 1348
La Société des Artisans Canadiens Français, 82
Marine, 1703. *See also* Shipbuilding
Registered mail matter, 2120-24
Registered parcels. *See* Post Office Act Amdt. Bill
Returned Soldiers, 4041. *See* that title; also Pensions
Returned Soldiers Insurance Act Amdt. Bill, 4260, 4355. *See also* that title
Sickness, 2554
Taxation of Mutual Companies, qu. 605
Unemployment. *See that title*

Insurance Act
Proposed amendments, inquiry, 2625
M. for res. 4339; withdrawn, 4453

Insurance Conference, 3088

Intercolonial Railway. *See that title* under Canadian National Railways

Interim Supply. *See also* Supply
Closure. *See that title*
Debate postponed, 1682
Former votes, of, 1681
Motion withdrawn, 1683
Point of Order—Res. to be preceded by notice, 1676

Interim Supply Bill. *See also* Appropriation Acts
Res. 1674; objected to, 1674; notice, Rule 17B, unanimous consent, 1676-82; withdrawn, 1683; Res. 2001; Amdt. (Mr. Lemieux) 2018-20; closure, notice of under Rule 17B, 2025-6
1r., 2095; 2r., com., 2100; 3r., 2116

Interior Department
Draughtsmen, 1334
Minister, necessity for presence in Commons, 1155
Salaries, 1330
Surveys Branch, 1332
Surveyor General, 1342

International Association of Railways Congress, 3023

International Boundary Commission, 1342, 4494
Joint report, 4340

International Commission, Fraser River, 2189

International Convention for the Protection of Industrial Property, adherence to, 230

International Customs Tariff Bureau, 1437

International Financial Conference. *See* Brussels

International Harvester Company, 3394. *See also* Agricultural machinery

International Institute of Agriculture, 1116

International Joint Commission, 164, 2388, 2421, 2435. *See also* Great Lakes-St. Lawrence; Lake of the Woods
Appointment of Sir William Hearst, 510
Lake of the Woods Control, 1071, 1176, 1233, 4172
St. Lawrence waterway, 691, 3960-70

International Justice. *See* Permanent Court

International Labour Conference, 544. *See also* Labour

International Labour Union. *See* Labour, National Catholic Unions

International Trade Conference, qu. 2029. *See* Trade

"Internationale," dredge, qu. 2192, qu. 2506

Inventors. *See* Patent Act Amdt. Bill

Inverness
Fishery overseers, 2178
Harbour, 3985
Public building, 2817

Invoice Certificates. *See* Customs and Excise Dept. Bill

Ioco, wharf, 3979

Ireland, Parliament for South of, qu. 603

Iron and Steel Industry
Development of, 873-4. *See also* Natural Resources; Steel

Irrigation. *See also* Natural Resources
Belly river water rights, qu. 2943
Milk river water rights, qu. 2099
Southern Alberta and Saskatchewan, 858

Isaac, Mr. *See* French Trade Agreement

Italy
Cargoes of wine from, 1715
Lira, exchange value of, 3816-4227
Trade with. *See* Customs and Excise Dept. Bill

Jacobs, Mr. S. W. (George Etienne Cartier)
Address in reply to Governor General's Speech, 503; congratulations to Prime Minister; by-election in Peterborough, 504; National Liberal and Conservative party; Mr. Bourassa, 505; Mr. R. B. Bennett; Government saturated with war spirit, 506; shipbuilding; immigration; restrictive loans and regulations, 507; railways and public ownership; Department of Trade and Commerce, 508; Departments not directly represented in House; military expenditures, 509; Royal Commission to investigate grain trade; conciliatory overtures to Quebec; appointments that violate the traditions, 510
Agriculture Dept.—Salary of Deputy Minister, 950
Air Board, 3780-3
Alpine Club, 4494
American immigration, 3065
Ames, Sir Herbert, resignation, 1327
Animal Contagious Diseases, 1048
Armistice Day Bill, 3773
Bankruptcy Act Amdt. Bill (Mr. Jacobs)—French Version, 1069, 2256
Bankruptcy Act Amdt. Bill (Mr. Guthrie) 2910-39, 3144
Bankruptcy Act, Judges under, 1085
British Remount Commission, qu. 4341
Canada Temperance Act
Damages, 4387
Invasion of the province of the courts, 4379
Proceedings pending, 4378
Canadian Bar Association, 1094
Canadian Forestry Association, 4494

Jacobs, Mr. S. W.—*Con.*
Canadian National Railways, Special Com., reference M. (Mr. Meighen) 1785
Cattle embargo, 1072
Chief Justice, salary of, 1568
Criminal Code Amdt. Bill, 3896-8, 3906-30, 4342
Customs and Excise Dept. Bill
Commissioner, 4388
Reflections on legal profession, 4406
Trade commissioners, 4406
De Martigny divorce, 3763
Dominion Elections Act Amdt. Bill
Foreign-born wives of British subjects, 3105
Esmonde, Mr. Osmonde Grattan, 1556
Foundation Company of Montreal, payments to, qu. 4341
Fox-farming, 1433
Governor General's cars, 3037
Grand Trunk Arbitration expenses, 4335
Grand Trunk loan, 4158
Great Lakes-St. Lawrence waterway, 749
Immigration, 2574-92, 3055
Exhibit decorator, 3066
Officials, 3057
Juvenile delinquents—spanking, 3918
League of Nations, contribution to, 2357-69
Liquor, tax on, 3708
Maisonneuve and Gaspé, representation, 1325, 2333
Medicinal preparations, 3709
Militia, cadet services, 2297
National Transcontinental, Winnipeg-Quebec service, 2513
Natural Research Institute, 2894
"Niobe" and "Rainbow", sale, 4018-31
Oleomargarine Act Amdt. Bill, 3880-2
Opium and Narcotic Drugs Act Amdt. Bill, 2898-2905
Amdt. to amdt., 2903
Parliament buildings, 4075
Patent Act Amdt. Bill, 4456
Penitentiaries, 1092
Permanent Court of International Justice, 2709-35
Permanent Force, 2278
Private Bills—extension of time, 1625
Quarantine, typhus, 4170
Representation in Parliament, 1327
Roumanian loan, interest, 1441, 2030
Supreme Court and Privy Council appeals, 1089-1090
Tariff revision, qu. 903, 2346
Trade commissioners, 1219, 1465
Trent canal, 2607
Unemployment and immigration, 1358
Wines—British colonies, 3710

James MacLaren Company, Limited. *See* Private Bills Discussed

Jameson, Mr. Clarence, 799. *See also* Civil Service

Japan
Foreign credit, balance of, 1227-8

Johnston, Mr. Alex., 1280
Reappointment, 644

Johnston, Mr. J. Fred. (Last Mountain)
Address, 437. Congratulations to Prime Minister, 437; Canadian Wheat Board; statement of Minister of Immigration at Regina; attitude of Progressives, 438; definite stand taken on "enabling legislation", the farmers and wheat control; report of grain supervisors, 439; objections to Wheat Board, 440; scarcity of cars; increase in freight rates; commission to investigate grain trade; Board of Commerce, 441; Mr. G. M. Murray and the press, 442; the West anxious for an election, 444
Agricultural shows, 1245
Budget, 3550. Military expenditures; shifting of taxation, 3551; tariff revision, 3552; Government policy of moderate protection, 3553; agriculture, area and revenue, 3553; Soldier Settlement Board, operations, 3554; natural resources of prairie provinces, 3555; Ambassador to Washington, 3556; Farmers' party, 3556
Civil Service Act Amdt. Bill, 4469-72
Cow-testing, 1037
Dominion Elections Act Amdt. Bill, 4241
Naturalization—Certificate of qualification, 4241
Grain Commission, 1449
Grand Trunk Railway, operating charges, qu. 1132
Immigration, restriction of, 1127
Indian Commissioner at Regina, 2167-9
Live stock breeding, 1117
Muscowegan reserve, 2171
Oil development in Mackenzie district, 2162
Post Office, outside service, 4528
Public Works, expenditures in Saskatchewan, 2818
Reciprocity agreement with United States, 2070
Stayner postmaster, 4470
Wheat Board, 1454

Joliette Bridge, 3038

Jones. *See* Rice Jones

Judge Snider. *See* Printing Bureau

Judges. *See also* Bankruptcy Act Amdt. Bill; Dominion Elections Act Amdt. Bill, Revising Officers

Judges—*Con.*
Appointment of, 801, 811, 813
Chandler, Judge, Moncton, 2119
Chief Justice, Supreme Court, exemption of salary, 2188
Exchequer Court, 1083-4
Latchford, Judge, payment to, qu. 1500
Macleod Judicial district, qu. 2344
Number of, 1081
Riddell, Judge, payments to, qu. 1500
Salaries, 3680
Saskatchewan King's Bench, additional Judge, 1559
Travelling expenses, 1559, 2118
Vice-Admiralty, 1084
Wilson, Judge, qu. 1622
Yukon Territory, salaries and living allowance, 1087-8

Judges Act, 1920
Correspondence, M. (Mr. Lemieux) 1851

Judges Act Amdt. Bill
Res. 1559; Amdt. (Mr. Lanctot) neg. 1572; 1r., 1573; 2r., com., 2117; 3r., 2151; Senate amdts. 3009; Free Conference with Senate, 3972; 4040-61; 4250

Judicial Committee. *See* Privy Council

Judicial Districts, Quebec, 1081-3

June Bugs, 1030

Justice
Administration of, Yukon Territory, 1087
Department
Counsel employed in, 1077, 3523
Legal cases referred to, 1655
Litigated matters, expenses, 1089
Newcombe, Mr. E. F., qu. 1002
Purchasing agent, 1079, 1115, 2017
Salaries, 1076
Taxation forms, revision by, qu. 1237
Law stamps, tax, 1090
Penitentiaries, estimates, 1091, 1096. *See also* Penitentiaries
Privy Council appeals, 1089. *See also* that title

Juvenile Courts. *See* Juvenile Delinquents

Juvenile Delinquents, 3013
Spanking, 3918

Juvenile Delinquents Act Amdt. Bill
1r., 3319; 2r., com., 3r., 3758

Kamouraska, plum-growing, 1048

Kamouraska and Temiscouata Telephone Co., 2175

Kapuskasing Illustration station, 949

Kay, Mr. W. Fred. (Missisquoi)
Camp Grounds, Farnham, Que., qu. 1132
Canada Temperance Act, qu. 4253

Kay, Mr. W. Fred.—*Con.*
Census enumerators, qu. 735, qu. 1132, 4113
Income tax forms, 1176
Missisquoi
Census enumerators, qu. 735, qu. 1132, 4113
Net fishing in Missisquoi Bay, qu. 570
Oleomargarine Act Amdt. Bill, 3854
Privilege—vote on Oleomargarine Bill, 3971
Special War Revenue Act—condensed milk and ice-cream, 3956
Victoria Day, 3531

Keefer, Mr. Francis H. (Port Arthur and Kenora)
Africa, trade with, 1965
Bankruptcy Act Amdt. Bill, 2925
Canada-West Indies Trade agreement, 2259
Canadian representation in the United States, 2424-6
Canal tolls, 2963
Cattle embargo, 730
Civil Service Retirement Act Amdt. Bill, 2487-8
Fuel Supply Problem, 1257
Grain transportation rates, 2982
Grand Trunk Arbitration Bill, 2479
Great Lakes-St. Lawrence waterway, Res. 674, 753
Kingston, wharves and bridges, 3973
Lake of the Woods Control Board Bill, 2346-54
Lake of the Woods Regulation Bill, 4184-98
Parliament buildings, 3999
Royal Canadian Mounted Police Act Amdt. Bill, 2483-4
Senate and House of Commons Act Amdt. Bill (Ministers and directorships) 593

Kemp, Hon. Sir Edward (East Toronto)
Senate and House of Commons Act Amdt. Bill (Ministers and directorships) 590

Kenora
Board of Trade, 4184-6
Dam, 4172

Kennedy, Mr. J. Wilfred (Glengarry and Stormont)
Cattle, embargo, 720
Cattle feeds, 3744
Customs and Excise Dept. Bill
New and unused goods, 3814
Grading of cheese, 1037
Hudson Bay Company, selection of land, qu. 672
Oleomargarine Act Amdt. Bill, 3866
Unemployment and immigration, 1372

Kennedy, Mr. W. C. (North Essex)
Budget, 3404; deficit and annual debt; militia expenditures; mercantile marine, 3405; railway situation, 3406; Canadian National Railways, directors, 3407; manufacturers and home and foreign markets, 3408; importations from United States, 3409; amdt. of Mr. Fielding, 3410
Canadian National Railways, Board of Management, qu. 1132
Civil Service bonus, 2111-13
Great Lakes-St. Lawrence waterway, 684

King, Hon. W. L. Mackenzie (Leader of the Opposition)
Address in reply to Governor General's Speech, 10; congratulations to Prime Minister; usurpation of authority by Government; changes in Ministry; elected as a war administration—has it a mandate?—comparison with former administrations, 12; retirement of ministers principally responsible for Government's war record, 13; aims of present and former administrations different, 15; the tariff, 17; issue excluded in formation of Union Government, 19; no right to legislate without consulting the people; grounds for continuance of Government examined; limitation of parliamentary term, 20; supremacy of Parliament, 22; no pledge given in 1917, 23; withdrawal of Ministers who believed administration had fulfilled its mandate, 24; desire of Leader of Opposition for an election; significance of by-elections, 25; Canada alone in denying to people right of general election, 26; violation of fundamental principles of free government, 28; non-confidence amendment, 28
Air Board, 3782
Ames, Sir Herbert, resignation, 478, 1069, 1295
Archives, provision for, 2949
Arctic expedition, 4106
Armistice Day, 3775
Auditor General's Report, 737, 903, 915
Bankruptcy Act Amdt. Bill, 2909
Budget, 3596. Tariff revision and the Government; tariff inquiry, 3598; Republican party in the United States—barriers to trade between two countries; exchange rate, 3599; comparison of Budget speech and policy and principles of National Liberal and Conservative party, 3600; inter-Imperial

King, Hon. W. L. Mackenzie—*Con.*
Budget—*Con.*
trade, 3601; association between interests and Government during war period, 3602; political power united with plutocracy of self-interest, 3603; Board of Commerce—Mr. Murdock, 3604; lack of constructive legislation, 3607; protection of the interests, 3607; expenditure on National Railways and Merchant Marine, 3608; directors of National Railways and business interests, 3609; loans to foreign countries, 3611; Members of Parliament and sales to foreign countries, 3611; Minister of Crown soliciting business from foreign government, 3612; Prime Minister and misrepresentation of attitude of Opposition, 3612; free trade and protective tariffs, 3613; methods of taxation, 3614; downward revision of tariff, 3616; election necessary, 3618
Budget, date of, inquiry, 1555, 2151
Business of the House
Estimates—alleged agreement, 4569
For to-morrow, 2145
Interruption of debate on Address, 151
Legislation
Pending, 2150, 2819, 3972
Undue haste, 313
Lengthy discussions, 1230
Monday—Government business, 2148
Order of, 1619
Prorogation, 4069
Sittings
Duration of, 897, 900, 1330, 2887
Saturday, 2818
Wednesday evening, 1002
Supply, procedure, 1216
Victoria Day, 3689
By-elections, dates, 903. *See also* under this title Representation in Parliament
Canadian Government Merchant Marine, 1292
Canadian Nationals Definition Act, Bill, 585, 648
Canadian National Railways
Government-owned railways, correspondence, 1004
Information—attitude of the Government, 1759
Management, 1440
M. that information be laid before Parliament, 1178
Special Committee, reference to
M. (Mr. A. K. Maclean) 1188, 1594; M. (Mr. Meighen) 1758; Amdt. (Mr. King) 1761; Amdt. (Mr. Crerar) 1813

King, Hon. W. L. Mackenzie—*Con.*
Canadian Representation in the United States, 2378-2429
Chinese Immigration Act Amdt. Bill, 3828
Civil Service Retirement Act Amdt. Bill, 2486
Civil Service Act Amdt. Bill
Amdt. (Mr. A. K. Maclean) 2844; M. for 2r., 2778
Commission
Annual report, 4477
Jurisdiction of, 4286-8
Returned soldiers, 4258-9
Special Com.
Quorum, 2940
Reference to, 2776
Copyright Amdt. and Consolidation Bill, 2908, 3843-50
Cost of Living, 4551
Criminal Code Amdt. Bill, 3830
Date of summoning Parliament, 311
Daylight saving in Ottawa, 2776
Deceased members, tributes to, 4, 153
Dominion Elections Act Amdt. Bill (Prohibition Plebiscite) 151, 309
Dominion Elections Act Amdt. Bill
Bill not printed, 2944
Certificate of qualification, 3090, 3107-10, 4238-9
Foreign-born wives and children of British subjects, 3090
Forms, 3100
Voters' lists, registration, 3092
Dominion Lands Act Amdt. Bill, 4062-6
Estimates. *See also* under this head Business of the House, Interim Supply
Committee on, 2207-9
Time of taking up, 1330
French Trade Agreement, 2125
Governor General—address to on retirement, 4434
Grand Trunk Arbitration Bill
Agreement of March 8, 1920, 2377
Committee of five, 2479
Legal consequences, 2451
Liquidation, 2451
Position of Opposition on taking over Grand Trunk, 2560
Ratification of new agreement, 2450
Request for delay, 2346
Senate amendments, 2777, 2823
Submission of agreement to Parliament, 2476
House of Commons staff, 2887
Income Tax Act Amdt. Bill, 4343
Interim Supply, 1679, 2115
Attitude of Opposition, 2004
Objected to, 1674
Obligations for payment, 2025

King, Hon. W. L. Mackenzie—*Con.*
Judge Snider's report, 3697, 3761, 3905
Judges Act Amdt. Bill, 2117-18
Kamloops, speech at, 3623
Labour Department
Alleged combines, 4551
Bolshevism—pamphlet, 4548
Fair wages, 4545
Industrial Disputes Investigation Act, 4552
Minister—letter of in Gazette, 1643
Lake of the Woods Control Board Bill, 2033
Lake of the Woods Regulation Bill, 3903, 4211-17
League of Nations, contribution towards, 2356
Ministers to sit in either Chamber, 1163
Montreal Harbour Commission Bill, 2159
National Research Institute, 2894. *See also* Research
Natural resources
Adjournment of debate, 894
Transfer of to western provinces, 2546-52
Nauru Island, phosphate deposits, 4255, 4541
Newsprint, alleged combine, qu. 2099
Opium and Narcotic Drug Act Amdt. Bill, 2898-2907
Owens, the late Thomas P., Editor of Debates, 258
Park St. Charles Company, proposed payment, 4573
Peterborough speech, 134
Post Office Act Amdt. Bill, 2123
Press Gallery, 2887
Prime Ministers' Conference, 2631
Amdt. to Supply, 2634-58
Prisons and reformatories, 3011
Privilege—alleged statement of Mr. Davidson regarding Liberal leadership, 2443
Privileges and Elections Committee, 2373
Proportional representation, 1552
Public money, accounting for, 1292
Purchasing Commission, 1099
Statutes
Limiting power, 1101
Providing for tenders, 1105
Representation in Parliament
Vacancies (Amdt. to Supply), 1293, 1300, neg. 1309
By-elections, 1306
Rockefeller Foundation, 2443
Royal Canadian Mounted Police Act Amdt. Bill, 2481, 2801
Shipbuilding, 1292

King, Hon. W. L. Mackenzie—*Con.*
Speaker's Chair, 3693
Supplementary Estimates, inquiry for, 3741
Tariff inquiry, 3055
Tariff revision, 3622-3
Unemployment, 4549
Vacancies, 478. *See also* under this head Representation
War Times Election Act, 4238
White, Sir Thomas, qu. 477

King's Bench. *See* Judges Act Amdt. Bill
Judges, 1081

King's Birthday, 4450

King's County, fruit inspectors, 1041

Kingston
Fortifications, 969
Penitentiary. *See* Penitentiaries
Wharves and bridges, 3973

Kino Hill, silver discovery, 856

Kirkwood Steamship Company, qu. 564

Knox, Mr. Andrew (Prince Albert)
Address in reply to Governor General's Speech, 537; congratulations to Prime Minister; the amendment; Soldiers' Settlement Board; Porcupine Forest Reserve; lack of transportation facilities—freight rates—Hudson Bay Railway, 538; investigation of grain trade; farmers' movement
Budget, 3414. Government has reverted to indirect taxation, 3414; militia expenditures, 3415; expenditures on canals; northern Saskatchewan transportation facilities, 3416; protection and the farmers; grain inquiry, 3417
Canadian National Railways, passenger traffic, Montreal-Winnipeg, qu. 2376
Chinese immigration, 3056
Civil Service Act Amdt. Bill, 2855
Cordwood for fuel, 3748
Credits to Roumania and Greece, qu. 1236
Hudson Bay Railways, 538, 982
Immigration, 2589-90
Income tax payers—farmers, qu. 838
Saskatchewan railway lines, 3054
Senate representation—Saskatchewan, 2567
Trent canal, 2608-9, 2958

Kuskanook, wharf, 3979

Labour. *See also* Building Trades Conference; Housing; Immigration; Industrial Disputes; Shipbuilding; Returned Soldiers; Unemployment
Alleged combines, 4551

Labour—*Con.*
Bolshevism, pamphlet, 4548
Canadian Government Merchant Marine, wages, 1921
Civil Service, prevailing rates, qu. 3089
Conditions in Great Britain and United States, 408
Discontent and unrest, 3439
Department
Emergency relief, 4535
Employment offices, 2852, 4363
Estimates, 4170, 4535
Draper, Mr. P. M., 1632, 1637
Fair wage clause, 1910, 2955, 4545
Germany, cost in, 4425, 4428
Industrial Disputes Investigation Act, 4549-52
International Conference at Washington, 544
Status of Canada, 2629
Unemployment insurance, 4547
Washington and Geneva, conventions and recommendations, 4041
Women workers, 4547
League of Nations, 4547
Manual labourers. *See* Civil Service Act Amdt. Bill
Mathers Commission, 232
Minister in Senate, criticism of, 1154-5, 1162, 1169, 4544
Moore, Mr. Tom, 1627, 1632, 1636
National Advisory Council, 4363
National Catholic Labour Unions, 1625, 3584
Chicoutimi Convention, 1626
Letter of Minister in Gazette, 1642
Minister of Labour and, 1625
Platform of, 1627
Wright, Mr. A. A., letter of, 1647
National Industrial Conference, 2101, 4549
Railways, and, 1179, 1190, 1587. *See also* that title
Shipbuilding, Government, 1273, 1727, 1889, 1897, 1902, 1909, 1974
Strikes
Cape Breton in, 3528
Grand Trunk, 230
Number of, qu. 569
Peterborough, 3549
Winnipeg, 3359, 3360, 3560
Trades and Labour Congress, platform of, 1634
Unemployment relief, 4535. *See also* Unemployment
Wages and prosperity, 3514
Women workers—overtime, 4547

Labour Gazette, 1155

Lachine Canal. *See* Canals

Ladysmith, wharf, 3980

Lafleche, Col. *See* Purchasing Commission

Lafortune, Mr. D. A. (Jacques-Cartier)
Address in reply to Governor General's Speech, 292; tribute to late Mr. Gladu; the debate reviewed, 292; Mr. Gauthier, 293; the amendment; Government's mandate executed; Prime Ministers' Conference, 294; Government in danger when it turns to Opposition for help; new name of Government party, 294; change of Government in 1896; issues of the election; promises made and kept; Manitoba school question; St. Lawrence river channel; revising barristers; contracts, men's wages; deficits; Sir Wilfred Laurier; the tariff, 296; reciprocity, 297; things the Liberals will do when returned; Georgian Bay canal; bridge between Vaudreuil and Ste. Anne, 298; will demand accounting; Quebec not isolated but badly represented, 299; widening of Victoria bridge; bridge at Longueuil; tobacco growers, 300; sugar beet industry, 301;
Automobile theft, 3915
Budget, 3669; historical and political review, 3669-70; Mr. Bourassa, 3671; Laurier administration; prosperity of manufacturers and agricultural interests under Liberal Government, 3673; Post Office Department—deficit, 3674; Lachine canal bridge, 3675; immigration of French Canadians to United States, 3675; protection of tobacco growers, 3676; Ville Emard tunnel, 3677; bridge at Ste. Anne's-Vaudreuil, 3677; bridges in Jacques Cartier county; Georgian Bay canal, 3678; Military Service Act, 3678; Liberals returning to Opposition after war, 3679; Judges' salaries, 3680
Criminal Code Amdt. Bill, 3910-32
Lachine canal bridge, 3675, 4308
La Salle—road repair, 4313-33
Perrot Island bridge, qu. 576, qu. 603
Pointe Claire, wharf, 4312
Three Card Monte, 1858

"Lake Champlain", icebreaker, 1985

Lake Freights, 3371. *See also* Canals; Great Lakes-St. Lawrence; Transportation

Lake of the Woods and Other Waters, 3903. *See also* Lake of the Woods Regulation Bill

Lake of the Woods Control, International Joint Commission, 1176, 1233

Lake of the Woods Control Board, estimates, 2437

Lake of the Woods Control Board Bill
1r., 788; 2r., com., 2033, 2346, 3r., 2445
Subjects and Sections Discussed:
Board
Creation of, 2033-2346
Immunity from actions, 2355
Powers—enforcement of
By order of court, 2350
By taking possession of property, 2353
Purposes, 2350
Correspondence — International Joint Commission, 1176, 1233
Norman dam, English river, Winnipeg river, 2347
Statement by Prime Minister, 2033

Lake of the Woods Regulation Bill
1r., 3903; 2r., com., 4171; Amdt. (Mr. Pardee), six months' hoist—to 3r., 4226; 3r., 4227
Subjects and Sections Discussed:
Backus, Mr. E. W., 4173-4224
Boundary award, 4181
Concurrent legislation, 3903
Correspondence between the Prime Minister and Hon. Mr. Drury, 3971, 4170, 4182
English river, 4172
Hudson, Hon. A. B., 4184, 4213
Kenora dam, 4172
Norman dam, 4173
Rivers and Streams Act, 4174-4225
Sioux Lookout, 4191
Statement by Prime Minister, 4171
Technical Board, 4173
White Dog Falls, 4172
Winnipeg river, 4172

Lalor, Mr. F. R. (Haldimand)
Budget, 3656. Change in official Opposition, 3657; free trade and farmers, 3658; manufacturers help to lower prices, 3659; Roumanian and Greek loans and contracts, 3661; protection proper policy for Canada, 3661
Civil Service Retirement Act Amdt. Bill, 2492-4
Customs and Excise Dept. Bill
Dumping clause, 3817
Invoice certificate, fee, 4391
Position of Agrarian group, 4400
United States Customs regulations, 3817, 4417
Valuation for duty, 3817, 4417
Dominion Elections Act Amdt. Bill (Prohibition plebiscite) 307

Lalor, Mr. F. R.—*Con.*
Highway construction in Ontario, 4300
Hon. F. C. Biggs, 3037
Immigration, 2582
Income Tax Act Amdt. Bill, 4351
Lambert, Mr. Norman P., 289, 3329, 3363, 3685. *See also* Grain Growers' Grain Company
Lanctot, Mr. Roch (Laprairie and Napierville)
Budget, 3516; tariff revision; Canada's participation in the war, 3517; imports and exports, 3518; revenue; expenditures, 3519; military expenditure, 3519; railway situation, 3520; Grand Trunk Railway, 3522; lawyers and Justice Department, 3523
Chief Justice, income tax, 1572
Civil Service bonus, 2107, 2114
Income Tax Act Amdt. Bill, 4352
Interim Supply Bill, 2107
Judges Act Amdt. Bill
Amdt. to res. neg. 1572
Montreal and South Shore traffic bridge, 2216
Post Office, outside service, 4531
Shipbuilding, 1959

Land.—*See also* Soldier Settlement; Immigration
Settlement, western, 3249
Location, 4343
Tax, 3229, 3317, 3453, 3486, 3511, 3634-35, 3664

Lang, Mr. Norman (Humboldt)
Address in reply to Governor General's Speech, 342; the amendment; desire for election confined to one side; questions affecting West; investigation of Grain Trade, 342; marketing conditions; series of unfavourable years; Wheat Board; Wheat pool; better understanding between East and West; live stock industry harvest help; National Railways, branch lines, 344

Langlois, Mr. George Arnoult, appointment, qu. 2505, 2875, 4128

Lapointe, Mr. Ernest (Quebec East)
Address in reply to Governor General's Speech, 457; congratulations to Prime Minister; special circumstances under which Parliament meets; House must reflect national will; public confidence withdrawn from Government, 457; justification of amendment; Union Government formed for duration of war—continuance in office injustice to Canada; democracy; the soldiers' vote;

Lapointe, Mr. Ernest—*Con.*
Address—*Con.*
war mandate used for other purposes, 458; new Administration without public endorsation; origin of National Liberal and Conservatice party; no mandate given in 1917 to present Government, 459; withdrawal of Ministers who gave prestige to Administration; sincerity of Liberals who support Government, 460; Government no longer in harmony with public opinion; by-election, 461; the Government's majority, 463; Sir Thomas White; Sir Herbert Ames; constitutional duty of Government; British precedents, 464; Imperial conference, 467
Alcohol, tax on, 3705
Ames, Sir Herbert, resignation, 464, 1296, 1310
Business of the House
Estimates on Thursdays and Fridays—Rule 17C—958, 1073, 1218, 1385, 2103-4, 4544
Canadian Nationals Definition Bill, 769
Canadian National Railways
Board of directors, 1605
Canadian Representation in the United States, 2429
Cattle embargo, 727
Civil Service Act Amdt. Bill, 2779, 4487-90
Religious holidays, 4487-90
Civil Service (res. Sir Sam Hughes) Political Patronage, 800; census commissioners and enumerators, 800; Judges, 801; commissions, 802
Closure, 2025
Criminal Code Amdt. Bill, 3907
Customs Tariff, 1907, Amdt. Bill
Imported goods—marking, 3939-41
Dominion Elections Act Amdt. Bill (Prohibition plebiscite) 310
Dominion Elections Act Amdt. Bill, 4246-50
Nomination paper, 4246
Revising officers, 4250
French Trade Agreement, 2137-8, 2152
Harbours and Rivers, estimates, 3977-80
High Commissioner's Office, 2437
Immigration Act Amdt. Bill—(Deportation) 1497, 1858
Imperial Mineral Resources Bureau, 2165
Interim Supply, 2010-11; 2101-4
Judges
Judicial District of Quebec, 1081-2
Justice Department
Counsel employed, 1076
Lake of the Woods Control Board Bill, 2033
Lake of the Woods Regulation Bill, 4210

Lapointe, Mr. Ernest—*Con.*
League of Nations, contribution to, 2357-67
Maisonneuve and Gaspé representation, 2314, 2342
Marine estimates, length of debate, 1988
Minister of Labour, 4544
National Catholic Labour Union, 1625, 3584
National Industrial Conference, 4549
Naval policy, 4023
Oleomargarine Act Amdt. Bill, 3891
Order, point of, word of member should be accepted, 1641
Parliament buildings, 3994, 4075-8
Inscription on tower, 4544
Polish battalion for service in French army, 4060
Prime Minister's Conference, 2505, 2637-67
Naval defence—contribution of Dominions to, 4256
Privilege
Alleged statement of Mr. Davidson regarding Liberal leadership, 2443
Correction of report in Ottawa Journal, 477
Explanation of remarks on Dominion Elections Bill, 4543
National Catholic Labour Unions, 3584
Provinces as traders, 3706
Purchasing Commission, 2015
Negative motion, 2019
Quebec riots, 1506
Railway Department employees, 1654
Representation in Parliament, 1307
Revenue from duty on wines, 2711
Soldiers' pensions, insurance and re-establishment, 4055-60

Laporte, Sir Hormidas, 1609-10, 4315. *See also* Canadian National Railways
Business interests, 3610

La Presse, 3217
Canadian Government Merchant Marine, criticism, 1709
Lord Atholstan, and, 3248
Yamaska by-election—Mr. Mondou, 3251

LaRochelle, Mr. M. G., 799. *See also* Civil Service; Civil Service Act Amdt. Bill

La Salle road, 4313-33

L'Assomption Experimental Station, 918, 946

Latchford, Mr. Justice, payments to, qu. 1500

"Laurentian", Government steamer, qu. 1348, 1863

Laurentide Pulp & Paper Company, 3049

Laurier, Sir Wilfrid, 3670. *See also* Address; Budget; Prime Ministers' Conference
Imperial Conferences, and, 3431-34
South African War, 1527
Tariff, 3614, 3642

Laval University. *See* Research

Lavigueur, Mr. Henri E. (Quebec County)
Address in reply to Governor General's Speech, 280; congratulations to Prime Minister; the French language; demand for general election; changed attitude towards Quebec; unfulfilled obligations to city of Quebec; equipment for Transcontinental railway; grain elevators, docks, workshops; Great Northern and Lake St. John railways; St. Charles river dam; the Quebec riots of 1918, 282
Canadian National Railways
Directors, 4315
Quebec bridge—highway, 4333
Civil Service bonus, 2112-13
Great Lakes-St. Lawrence waterway, 686
Harbours and rivers, estimates, 3977
Income tax, 2106
Marine estimates, 1987
National Catholic Labour Unions, 1649
Park St. Charles Company, proposed payment to, 4575
Post Office
Fiset, Mr. Michel, 963, 4523
Loretteville, 4523
Quebec elevator, 282, 1443
Quebec-Loretteville line, 4328
Shipbuilding, 1971
Telegraph line, Loretteville-St. Gerard, 4539

Lavoie, Mr., and Canadian National Railways, 1659, 1670

Law Library, Canadian, 1090

Law Stamps, 1090

Lawyers. *See* Canadian Bar Association; Justice Department

League of Nations, 97, 110, 125, 157, 164, 186, 188, 195, 204, 227, 229, 237, 247, 285, 357, 400, 435, 474, 2629-50-52, 2789, 3157, 3205. *See also* Canadian Nationals Definition Act; Prime Ministers' Conference; Permanent Court of International Justice
Ames, Sir Herbert, 464. *See also* that title
Article X, 158, 1967
Elimination of, qu. 575
Assembly, 164, 436, 2629, 2710, 543
Canadian representatives, 188, qu. 602, 785

League of Nations—*Con.*
Assembly—*Con.*
French Canadians unrepresented, 552
Request for papers, 188
Aviation, 3782
Burnham, Dr., case of, 1521. *See also* that title
Canada's participation, 519
Canadian Nationals, 397. *See also* that title
Constitutional questions, 113
Council, 2709
Expenses, Canada's share, qu. 1235, 2356
Labour, 4547. *See also* that title
Nauru Island, 4255, 4541
Permanent Court of International Justice. *See that title*
Permanent Secretariat, maintenance, 2356

Leases of Federal Oil Lands. *See* Oil

Lecours, Mr. A. J. *See* Quebec Riots

Leduc, Mr. J. Alfred (Westmount-St. Henry)
Budget, 3463. Comparison of present with Liberal administration; Government economy in expenditure necessary, 3464; methods of taxation, 3465; income tax, 3465
Oleomargarine Act Amdt. Bill, 3882
Public buildings, Nova Scotia, 2770

Lee-Enfield Rifle, 2783-7. *See also* Militia; Ross Rifle

Leeds
Status of member for, 464, 1294, 1326. *See also* White, Sir Thomas
Resignation of member for, 1619
Vacancy, 1293

Legal Responsibility. *See* Quebec Riots

Leger, Mr. A. T. (Kent, N.B.)
Agricultural publications, 1074
Beef production, 1039
Cold storage—delegation from Maritime Provinces, 1038
Dairying, 1036
Dredging, 3982
Fruit growing, 1041
Harbours and rivers, 3990
Lightkeepers' salaries, 1994
Oleomargarine Act Amdt. Bill, 3759
Partridge Island quarantine station, 2206-14
Public Works—transfer of district engineer's office from Chatham, 4081-5
St. John harbour, 4078
Sheridan, Mr. John, resignation and reinstatement of, 1499, 2173, qu. 2618, 4501-5
Veterinaries in New Brunswick, 1050

Lemieux, Hon. Rodolphe (Maisonneuve; Gaspé)
Address in reply to Governor General's Speech, 177; Mr. Mowat; platform of Liberal Convention of 1919; Speech of Mr. Gauthier a "degrading incident", 178; the amendment; Government possible only with consent of governed; the "Khaki" election in England; Balfour administration, 178; no general election for ten years; issue in 1911; dissolution and election; only issue in 1917 was "Win the War"; that election a "sham" and "official debauchery"; tariff, 181; coalition illogical after the war; Cabinet changes; distinction between Tory and Liberal, 182; justification of amendment; Imperial Conference, naval defence; British foreign policy; Canada will never surrender rights; Government without mandate to discuss naval defence; organic change in constitution, 183; Canada a nation? Right denied to conclude commercial pact; consular agents, 184; Ambassador at Washington, 185; Chicago Drainage Canal; levels of the Great Lakes and St. Lawrence river; League of Nations; increasing desire for national unity, 187
Air Board, 3778
Archives, provision for, 2949
Arctic expedition, 4106
Ascension Day, adjournment, 2688
Bankruptcy Act Amdt. Bill, 291¢
Belgian Immigration, 4128
Berry boxes, 4116
Bertrand, Mr. Joseph Tetu, 4079
Brunelle, Sergt. Major N., 1518
Budget, 3241. Tariff Commission; free trade and protection, revenue, raising of, 3242; income tax; two normal periods of recent history, 1879-1896, 1896-1911, comparison of, 3243; British preference, establishment of, 3244; relations with the United States, 3245; benefits of Liberal administration, 3245; war loans, debts and deficits, 3246; a free press, 3247; naval and military expenditure, 3248; vigorous policy of immigration and land settlement, 3249; mining industry; attitude of Quebec, Yamaska by-election, 3250
Burnham, Dr., and Serbian Government, M., 1520, 1528
Business of the House, 1851
Morning sittings, prorogation, 4338-40
Previous debate, 3627

Lemieux, Hon. Rodolphe—*Con.*
Business of the House—*Con.*
Wednesday evening adjournment, 1833
Canada Temperance Act Bill
Costs of litigation, 4385
Canada-West Indies Trade Agreement, 1557, 2254-7
Canadian dollar in the United States, 3087
Canadian Government Merchant Marine, 1286
Canadian National Railways
Deficit--Mr. J. Lambert Payne, 3017
Foremen of engines, qu. 1673
St. Hyacinthe shops, qu. 2821
Special Committee, reference to M. (Mr. Meighen) 1774
Train agents, qu. 1349
Canadian Representation in the United States, 2396, 2430
Cattle embargo, 710; motion withdrawn, 766
Chicago Drainage Canal, 185, 1851, 2225
Chinese Immigration Act Amdt. Bill, 3827-9
Civil Service
Bonus, qu. 901, 1176
Griffenhagen and Associates, 799, 4555. *See also* under this title, Post Office
Outside Service, qu. 2820
Res. (Sir Sam Hughes) Political Patronage in, 798; Liberal principles; Civil Service Commission; competitive principle; worries of patronage system; experience in England, United States and India; Hon. Sydney Fisher; confidence in Commissioners; Arthur Young and Company; Griffenhagen and Associates, 799
Reorganization, 4555
Superannuation, increase of allowances, 2112
Civil Service Act Amdt. Bill, 2855-71, 4258-60, 4280-88, 4466-86
Religious holidays, 4485
Returned Soldiers, 4258-60
Civil Service Retirement Act Amdt. Bill, 2490-2; 4275
Copyright Act Amdt. and Consolidation Bill, 3838-49
Customs
Minister of
Letter to French Purchasing Commission, 3079
Private business connections, 3079, 3080
Montreal port officers, 3086
Dairy Products Grading Bill, 4448
De Martigny divorce, 3767-71, 4008, 4203, 4477
Destruction of documents. *See also* under this title Printing Bureau

Lemieux, Hon. Rodolphe—*Con.*
Divorce evil, 4474
Dominion Elections Act Amdt. Bill, 3092, 4246
Naturalization, 3112
Dominion Lands Act Amdt. Bill, 4064
Editorial Committee, 4557-9
Estimates, Scrutiny of, Special Committee, M., 1503, 2193, 2210
Expenditure
National Committee on, 1835
Statutory, 1557
French Trade Agreement, 1557, 2127-41, 2193
Gaspé Peninsula railway facilities, 2507-9
Georgian Bay Canal, qu. 2625
Germany
Canadian claims against, 4534
Grand Trunk Arbitration Bill, 2450-80, 2564
Highways
Construction in Ontario, 4290-3
In Quebec, 3029
Housing
(Amdt.) 1135-36
Point of order, 1135
Immigration
Central European, 2575-85
Deputy Minister, 3057
Exhibits, 3067
Inspectors, 3067
Immigration Act Amdt. Bill, 3822-7
Income tax
Instructions in both languages, 2626
Penalties, qu. 2100
Regulations, 1272
Income Tax Act Amdt. Bill, 4345-53
Insurance Act, proposed amendments, 2625, 4339
Insurance Conference, 3088
Interim Supply, 1679
Bill, 2101-2112
Motion to reduce, 2095
Judges Act Amdt. Bill, 1561, 3010
Judges Act, 1920, Correspondence, 1851
Judge Snider's report. *See* under this title Printing Bureau
Lake of the Woods Regulation Bill, 4207-10
Langlois, Mr., 4128
Magdalen Island steamship service, 767
Maisonneuve and Gaspé, representation, 2328
Military expenditure, South Africa, 3273
Ministers to sit in either Chamber, M., 1152; withdrawn, 1172
Murray Bay-Tadoussac Steamship service, 1825
National Research Institute, 4555. *See also* under this title, Research

Lemieux, Hon. Rodolphe—*Con.*
National Transcontinental, Winnipeg-Quebec service, 2509-19
Natural resources, 874
North American Trust Company, 1129
Oil and Gas permits and leases, 899
Oil bounties, 1421
Oleomargarine Act Amdt. Bill, 3883-94
Opium and Narcotic Drug Act Amdt. Bill, 2906, 3009
Park St. Charles Company, proposed payments to, 4570
Parliament buildings, 4077
Pension Act Amdt. Bill, 4367
Pensions
Etienne, Mde., claim, 4367
Martel, Mde., claim, 4367
Permanent Court of International Justice, 2712-14
Pierreville postmistress, qu. 2624
Polish battalion for service in French army, 4053
Post Office Act Amdt. Bill, 1619, 2123-25
Post Office Department
Anderson, Mr., 4556
Annuities, 4524
Griffenhagen and Associates, 4556
Letter rate, 4515
Postmaster General, 4514
Railway mail service, 4516
Reorganization and administration, 4514-24, 4556
Verret, Col., 4525-56
Prime Ministers' Conference, 2642
Printing Bureau—destruction of documents, 2950-3, 4557
Judge Snider's report, 1625, 2444, 2943, 3905, 4062, 4436
Private members and money resolutions, 1135
Prohibition, 4474
Public moneys, expenditure of, 1678
Public Works in Gaspé, 4088
Purchasing Commission, 2021, 2018-22
Motion to strike out item, 2018
Quebec riots, 1514
Question not answered, 1621
Railways
Freight rates on, 2018
Refrigerator cars for fish, 1038
Revenue and expenditure, 4515
Salmon fishery licenses, 4341
Sandy Beach wharf, qu. 965
Senate and House of Commons Act Amdt. Bill (Ministers and directorships) 591
Senate Bills, delay in first reading, 1619
Shipbuilding, 1286, 1686, 2078

Lemieux, Hon. Rodolphe—*Con.*
Shipbuilding—*Con.*
Speech referred to, 1684
Soldiers pensions, insurance and re-establishment, 4053
Speaker's Chair, 3694
Stony Mountain penitentiary, release of prisoners, 477
Thanksgiving day, date, qu. 2098
Trade with United States, 1481
United States tariff, Canadian duties, 4254
War tax, 4515
Woman suffrage, 4474
Yamaska election
Speech at St. François du Lac, 3528
Unsatisfactory arrangements for, 4534
Young Emergency tariff, 2905

Le Pas wharf, 3975-6

Letter Carriers. *See also* Post Office
Bonus, 2109-15. *See also* Civil Service, Bonus

Letter Rate. *See* Post Office

Letters. *See* Imaginary Letters

Levels, Great Lakes, 186. *See also* Chicago Drainage Canal; Great Lakes-St. Lawrence Waterway

Lévis, expropriation of land at, 1846

Libel. *See* Criminal Code Amendments

Liberal Bloc, 3216

Liberal Convention, 1919, 73, 175, 218, 338, 3637. *See also* Address; Budget
Fiscal policy, 3213
Tariff resolution, 3643

Library of Parliament
Joint Committee, 110
Joint Librarians' Report, 3
Noise, 4000

Life Assurance Companies. *See* North American

Life-saving Service, 1990

Lighthouses and Lightkeepers, 1994, 2174
Bonus, 1622, qu. 1623
Signal service, 4040

Lignite. *See also* Coal, Natural Resources
Briquetting plants
Bienfait, qu. 672, 673, 848, 4499
Estevan, 2689
Conservation Commission, 3965
Utilization Board, qu. 672, 673, 1269, 4499

Lindsay
Arsenal, 2782
Wharf, 2616

Lindsay, General
Oil lands, 1342
Tar sand rights, 671

Linen Yarn, Bounty on, 1389. *See also* Flax

Liquor. *See also* Alcohol; Canada Temperance Act; Customs and Excise Dept. Act; Inland Revenue; Prohibition; Special War Revenue
Canada-West Indies Trade Agreement, 2258-9
Canadian Government Merchant Marine, cargoes, 1713, 1715
Export licenses in Saskatchewan, qu. 833
Illicit traffic, 4388
Seizure of at Baie St. Paul, qu. 696
Tax on, 3705, 3708
Theft of at Baie St. Paul, qu. 1132

Lira, exchange value of. *See* Italy

Live Stock, 344, 846, 923, 1116. *See also* Agriculture; Health of Animals
Abattoirs and cold storage, 1125
Accredited Herd, 4506-13
Breeding, aids to, 1117, 1245
Cattle embargo. *See that title*
Corning—cattle purchases, 1624
County fairs and exhibitions, 1123
Dairy herds and cow testing, 1118
Distribution of pure-bred animals, 923, 948
Eggs and poultry, 1122. *See also* Eggs
Farmers' Clubs, 1117
Feed. *See that title*
Guernsey cattle at Nappan, qu. 2686
Health of Animals, 4506-12. *See also* that title
Marketing, 1039, 1119
Molasses wash for hogs, 3787-3820
Saskatchewan, distribution, qu. 1236
Transportation charges on feed, qu. 2686
Wool grading, 1121

Living Conditions. *See* Housing

Loan Companies. *See also* Housing

Loans. *See also* Address; Budget; Credits; Finance; Housing
Belgium to, qu. 577, qu. 1001, 3379. *See also* that title
Canadian National Railways, 4131-68, 4288, 4313, 4334
Canadian Northern Railway, 3037
Domestic, qu. 566
European credits, qu. 2622
Foreign, 3286, 3347, 3611
Grand Trunk Railway, 4131-68, 4288, 4313, 4334
Grecian, 2812
Roumanian, and, qu. 564. *See also* under this head Roumanian

Loans—*Con.*
Maturing, 3478
Repayment in New York, $25,000,000 loan, qu. 2622
Roumanian, 478, 564, qu. 566, 1072, 1441, qu. 2030, qu. 2344, 3811, 4430
Tax exempt, qu. 575

Lobsters. *See* Fish

Lockeport-Froude Point
Steamship service, 1496
Railway extension, 3054, 4323

Locomotives. *See* Railways

Long, Mr. C. E. (North Battleford)
Hudson Bay Railway, 996
Live stock commission men, 1123

Longueuil Bridge, 300

Loretteville, post office, 4523

Lowther, Right Hon. J. W.
Speaker's Chair, presentation, 3689
Expression of thanks, 3697

Lumber
Pacific coast trade, 1725
Piling of near stations, 1177
Profits on, Grain Growers' Grain Company, 3180, 3633
Sales tax on, 3449, 3736, 3742-3, 3751-7
Ties, railway, for Egypt, 1725
Tobique reserve, cutting on, 4503

Lunenburg County
Fishery overseers, 2179
Fruit inspectors, 1041, 1047

Luxury Taxes. *See* Taxation

Lynch, Mr. Frank, 4541

Macallum, Professor, 1328, 1432, 2144, 2688, *See also* Research

Dacdonald, Mr. E. M., 3529

MacDonald, Hon. Senator, appointment of, qu. 577

MacKelvie, Mr. John A. (Yale)
Address in reply to Governor General's Speech, 7; (seconder) retirement of Hon. Mr. Burrell; acceptance by Hon. Mr. Tolmie portfolio of Agriculture; new Prime Minister; unrest; agitation and unemployment; re-establishment of returned men; old age pensions and unemployment insurance; the tariff; fruit-growing industry; amicable relations between two great races forming bulk of population, 10

Mackenzie and Mann, 1960, 3206, 3288. *See also* Canadian National Railways

Mackenzie District
Oil Development, 2162. *See also* Oil, Petroleum

Mackie, Mr. H. A. (East Edmonton)
Cattle embargo, qu. 714
Civil Service—(res. Sir Sam Hughes)—Political Patronage in; abuses of system; promotions; deputy postmaster at Edmonton; census commissioners, 827; transfer of patronage to officials; political partisanship, 828
Debates, official, distribution of, 2224
Natural resources, 878
Oil and Gas
Expenditure for discovery, qu. 695
Permits and leases, res. 894
Leases, issue of, 598
Rights, 2555
Point of order—member reading speech, 544
Tar Sand rights, qu. 671
General Lindsay, qu. 671

Mackie, Mr. H. J. (North Renfrew)
Pembroke wharf, 4539

Maclean, Hon. A. K. (Halifax)
Address in reply to Governor General's Speech, 318; Prime Minister, congratulations to; tenure of Parliament; early dissolution desirable; life of Government measured by war, 319; attitude of members towards dissolution; Military Service Act and coalition, 320; understanding of electorate in 1917; War Times Election Act; redistribution, 322
Canada Shipping Act Amdt. Bill (Public harbours) 1174, 2228-30, 2556
Canada Temperance Act
Pending litigation not to be affected (Amdt.) 4384
Rights of litigants, 4377
Canada-West Indies Trade Agreement, 2255-61
Canadian National Railways
Management, Information—M. (Mr. King) 1204
Proposed reference to Special Committee, M., 1573
Civil Service Act Amdt. Bill, 2823-75
Amdt. to M. for 2r., 2835, 4464-93
Commission—exclusion of certain positions, 4477
"In the public interest," 4477
Naval Service—preference, 4484

Maclean, Hon. A. K.—*Con.*
Civil Service Act Amdt. Bill—*Con.*
Returned Soldiers—preference, 4492
Civil Service Retirement Act Amdt. Bill, 2490-2502
Customs and Excise Dept. Bill
Consular agents, United States, 3792
Consular certificates, 4390
Invoice certificate, 3792, 4389
Fee—who pays? 4390
Proclamation of Act, 4391
Trade agents, 3792
Customs Tariff Act, 1907, Amdt. Bill
Imported goods—marking, 3954
Dominion Elections Act Amdt. Bill (Prohibition plebiscite) 307
Dominion Elections Act Amdt. Bill, 4240-5
Naturalization—certificate of qualification, 4240
Dominion Lands Act Amdt. Bill, 4067
Fuel supply problem, 1264
Grain inquiry—remuneration of Commissioners, 3972
League of Nations—Canada's contribution, 2362
Ministers to sit in either Chamber, 1154-9
National Research Council, 2896
Oleomargarine Act Amdt. Bill, 3895
Opium and Narcotic Drug Act Amdt. Bill, 2264-5, 2898-2908
Parliament buildings, 3995-7
Public harbours, 1174, 2228-30, 2556
Royal Canadian Mounted Police Act Amdt. Bill, 2482-6
Unanimous consent, 1173
War Times Election Act, 322, 4240

Maclean, Mr. W. F. (South York)
Canadian Nationals Definition Bill, 769
Dominion Elections Act Amdt. Bill, 3113
Great Lakes-St. Lawrence waterway, 747
Hudson Bay Railway, 985, 996
National railways and telegraphs—Government business, 4130
Railways and immigration, 4129
Returned soldiers in Civil Service, qu. 963
Toronto post office, appointments, qu. 734

MacLeod Judicial District, qu. 2344

MacLeod's Breakwater, 4087

MacNab's Island. *See* Halifax Quarantine station

MacNutt, Mr. Thomas (Saltcoats)
Address in reply to Governor General's Speech, 527; congratulations to Prime Minister; tariff; new Prime Minister but same old policy; position of parties uncertain; fusion; "moderate protection," 528; settlement of soldiers on the land, 529; high prices for seed and stock—low prices for products; suggestions for relief of returned men; housing; exchange, 530; amendments; no confidence in Government, 531
Budget, 3685. Budget a protectionist one; eminent men changing political opinions; Canadian navy, status of officers and men, 3686
Canadian navy, status of officers and men, qu. 3422, 3686
Census appointments, qu. 3260
Dominion Elections Act Amdt. Bill, 4234-5
Naturalization—certificate of qualification, 4234
Hudson Bay Railway—expenditure, qu. 2623
Immigration, 2584
Pre-emptions and purchases of homesteads, qu. 2506
Soldiers' Land Settlement Board, dismissal of Mr. Graham, 2618

MacNutt, Mr. Thomas—*Con.*

MacPhail, Mr. E. S., 1232

McAdoo Award, 1588, 4325

McCallum, Miss Mary P., 3108

McCoig, Mr. A. B. (Kent, Ont.)
Address in reply to Governor General's Speech, 88; reply to Mr. Gauthier—almost identical argument by Mr. his attack on Hon. Mr. Lemieux; anxious to be taken into the Government; almost identical argument by Mr. Gauthier and Prime Minister; election, census, and redistribution, 89; Canadian National Railways; Mr. De Witt Foster, 90; Board of Commerce; profiteering; combines; Tobacco Buyers' Association; agricultural machinery, 91
Agricultural machinery, standardization of parts, 584, Res. 666
Apple exports to Great Britain, qu. 1501
Budget, 3506. Taxation of necessaries of life, 3506; rural mail contractors' remuneration, 3507; agricultural implements, 2508; military expenditure, 3508; Government war scandals, 3508; tractors, 3509
Civil Service, bonus, 2029, 2109, 2115
Experimental farms, 943
Flax industry, 1397
Highway construction in Ontario, 4293-5
Inspection of Gas and Gas Meters, 622
Interior Department—salaries, 1333

McCoig, Mr. A. B.—*Con.*
Militia
Annual drill, M. to reduce, 2296
Pensions, 2278

McCrea, Mr. F. N. (Sherbrooke)
Amherst drill hall, 2752
Grand Trunk loan, 4166
Income Tax Act Amdt. Bill, 4348
Lake of the Woods Regulation Bill, 4221
Military preparations, 2298
"Niobe" and "Rainbow," sale, 4013
Shipbuilding, 1944

McCurdy, Hon. F. B. (Minister of Public Works)
Bryson-Calumet Island bridge, 3986
Clark's Harbour, public building, 2817
Commons Chamber, temperature of, 1071
Courtenay Bay improvements, 4097
Dredging, 3982
Drydocks, 3987
Fort Cumberland and Fort Moncton, care of, 4540
Halifax quarantine station, 2754
Harbours and rivers, estimates, 3973-82
Montreal-South shore traffic bridge, 2217
Parliament Buildings, 3992-4001
Partridge Island Quarantine station, 2808-15
Pembroke wharf, 4536-8
Port Hood, wharf, 4104
Public Works
Amherst drill hall, 2739
Annapolis public building, 2741
Demobilization, 3989
Engineering Branch, 4080-90
Estimates, 2737-73, 3973
Expenditures, 4102
Nova Scotia, 4086
Return, inquiry for, 3008
St. John harbour, 4078
Telegraphs and Telephones
Isle aux Coudres, 4540
Loretteville-St. Gerard, 4540

McDermand, Mr. S. S. (East Elgin)
Apples, profit on, 1470
Encouragement of fruit-growing, 1469
European corn-borer, 1031
Inspection of Gas and Gas Meters Bill, 613

McDonald, Mr. Angus (Timiskaming)
Civil Service
Board of Hearing, qu. 2820
Bonus, qu. 3089
Meetings in Government buildings, qu. 3421
Prevailing rates, qu. 3089
Reorganization—Griffenhagen and Associates, qu. 2623

McDonald, Mr. Angus—*Con.*
Civil Service—*Con.*
Superannuation, qu. 2820
Whitley Councils, qu. 2820
Judge Snider's report, 3209
Returned Soldiers—civil servants, qu. 3531
Shipbuilding, 1884
Unemployment and immigration, 1377

McGibbon, Mr. Peter (Muskoka)
Address in reply to Governor General's Speech, 154; the amendment; Opposition has no policy and no case against Government; taxation, debt, railways, repatriation, pensions; unemployment insurance; old age pensions; the tariff; vacillation of Opposition on question of the tariff, 155; the Government's record; war taxation, repatriation, pensions, expenditure, production—election; mistakes—who has not made them? 156; Government justified by its record—redistribution and representation—congratulations to Prime Minister, 157
Agricultural shows, 1242
Automobile theft, 3914
Budget, 3510. Business conditions of country; revenue by taxation; direct and land taxation, 3511; protection and industries, 3512; iron and steel industry; plate glass; pineapples; wire nails and sugar industry, 3513; prosperity and wages, 3514; exemption of farmers, 3516
"Canadian Inventor," 1891
Cattle embargo, 727
Civil Service Act Amdt. Bill, 2829-67, 4478
Criminal Code Amdt. Bill—firearms, 3907-14
Customs and Excise Dept. Bill
Home brewing, 3788
Restrictive legislation, 3790
Dominion Elections Act Amdt. Bill (Prohibition plebiscite) 308
Dominion Elections Act Amdt. Bill, 4239-41
Revising officers, 3102
Farmers, protection for, 3748
Health Department
Report, 1852
Scientific branch, 3134
Highways, construction in Ontario, 4293
Hog cholera, compensation, 1060
Illustration stations and farms in Northern Ontario, 955
Inspection of Gas and Gas Meters Bill, 618
Military preparation, 2304
National Research Institute, 2895
Ontario timber limits, 3391

McGibbon, Mr. Peter—*Con.*
Opium and Narcotic Drug Act Amdt. Bill, 2264-7, 2901
Convictions under, 3134
Pensions Act Amdt. Bill, 4373
Pensions
Widowed mothers, 634
Record of member for Lunenburg, 1903
Returned Soldiers' Insurance Act Amdt. Bill, 4356
Shipbuilding, 1903, 1904
Trent canal, 2955-65

McGibbon, Mr. Peter R. (Argenteuil)
Questions, inquiry as to, 2943
Railway bridges, 1664

McGill University. *See* Research

McGilvray, Dr. C. D., 1055

McIntosh, Mr. J. C. (Nanaimo)
Fisheries—Mr. Justice Ebert's report, qu. 4254

McIsaac, Mr. James (King's, P.E.I.)
Address in reply to Governor General's Speech, moved, 5; congratulations to Prime Minister; tribute to Sir Robert Borden; after-war problems and conditions; Canadian Government Merchant Marine, 6; Customs Tariff, 7
Budget, 3397; congratulations to Minister of Finance; Canada's trade; financial position of country, 3398; revenue, raising of, 3399; sales tax; tariff revision, attitude of Opposition on tariff, 3400; Fielding, Mr., former speech on tariff, 3401; Amdt. of Mr. Fielding, 3403
Georgetown wharf, 4564
Harbours and rivers, 3990
Highways, expenditure, 4306
Prince Edward Island Railway, 4564

McKean, Mr. Melville, 4083

McKenzie, Mr. D. D. (Cape Breton North and Victoria)
Address in reply to Governor General's Speech, 40; mover and seconder; congratulations to Prime Minister; tribute to leader of Opposition, 40; disappointed in speech of Prime Minister; should place himself in the "hands of the country"; election before redistribution; position of West, 41; quotations from Calgary Albertan and Montreal Gazette; newspaper comment on by-election results, 43; amendment necessary to expression of views; the tariff; wait until report of Tariff Committee of Cabinet produced,

McKenzie, Mr. D. D.—*Con.*
Address—*Con.*
44; a government of the "big interests"; restoration of confidence in parliamentary institutions impossible while Government remains in power, 45; position and policy of Liberal party, 46
Agricultural publications, 1075
Alcohol, tax on, 3957
Alderson, Mr. George B., claim for compensation, 2273
Amherst drill shed, 2739
Australia-New Zealand service, 1494
Bankruptcy Act Amdt. Bill, 2925-9
Budget, 3280. Minister of Militia and military expenditure, revenues and expenditures, 3283; speeches on Government side of House, 3284; luxury taxes, 3285; unfairness of taxation, 3286; foreign loans; Canadian Northern system borrowings, 3287, 3288; Grand Trunk borrowings, 3291; trade outlets; railway business, handling of; shipbuilding, 3292; combines, Nova Scotia coal, 3295; lack of railway facilities in Cape Breton
Burnham, Dr., treatment of by Serbian Government, 1526
Canada Temperance Act, costs, 4381-88
Canadian Government Merchant Marine, shipbuilding, 1280
Canadian Nationals Definition Bill, 778
Ruling of Chairman, 779
Canadian National Railways
Management — Information M. (Mr. King) 1210
Operating expenses and receipts, 4316
Special Committee
M. (Mr. A. K. Maclean) 1600
Canadian Representation in the United States, 2416
Cattle embargo, 763
Civil Service Act Amdt. Bill, 2781, 2844, 4287
Civil Service bonus, 4120, 2236
Civil Service (Res. Sir Sam Hughes) Political patronage; election officers in North Cape Breton and Victoria; census officials, 832; service overmanned and underpaid, 11,000 dismissed, 25,000 appointed; classification and reorganization, 833; Printing Bureau; Civil Service Commission, 834; patronage and the party system; appointments, 835
Civil Service Retirement Act Amdt. Bill, 4274
Coal supply in Maritime Provinces, 1281

McKenzie, Mr. D. D.—*Con.*
Comparative return on Dominion guaranteed and Nova Scotia bonds, 4165
Criminal Code Amdt. Bill, 3912-38
Currency Act Amdt. Bill, 2269
Customs and Excise Dept. Bill
Invoice certificate, 3806
Fee—who pays? 3807
Preventive service in Victoria county, 4388
Customs and Inland Revenue—payments for overtime, 4123
Customs officers, 3086
Customs Tariff, 1907, Amdt. Bill—imported goods, marking, 3947-55
Dairy products grading, 3760
Delinquent children, 3012
De Martigny divorce, 3766
Destructive insects, 1027, 1032, 1075
Dominion Elections Act Amdt. Bill (Prohibition plebiscite) 311
Dominion Elections Act Amdt. Bill 3091, 4243-6
Election officers, disqualification, 4246
Naturalization—certificate of qualification, 4243
Nomination day, 3096
Recount, 3097
Revising officers, 3102
Dominion Lands Act Amdt. Bill, 4066
Flax industry, 1402
Flour, high price of, 1448
Fruit inspectors, location in one county, 1046
Fuel supply problem, 1260
Gas and Gas Meters, Inspection of, Bill, 609, 2944
Grand Trunk Arbitration Bill, 2458-80, 2446
Position, 3321, 4436
Grand Trunk Railway
Coal mines in the United States, 4316
Default of interest, 1498
Loan, 3291, 4152-69, 4315
Portland terminus, 4316
Great Lakes-St. Lawrence waterway, 695, 738
Immigration, 2584-96
Income Tax Act Amdt. Bill, 4343-55
Ingonish-Macleod's breakwater, 4087
Insect pests, 1027, 1032, 1075
Judges Exchequer Court, 1083
Lake of the Woods Control Board Bill, 2350-5
Lake of the Woods Regulation Bill, 4224-6
Lignite, 4500
Migratory Birds Convention Act Amdt. Bill, 2891

McKenzie, Mr. D. D.—*Con.*
Military Service Act, claim for services, 2807
Montreal Harbour Commission, 2269
National Research Institute, 2703
Naval policy, 4034
Newfoundland railways, 1485
"Niobe" and "Rainbow," sale, 4032-6
North Sydney, removal of Public Works officials, 2817
Nova Scotia judges, 1572
Opium and Narcotic Drug Act Amdt. Bill, 2264-5, 2908
Partridge Island Quarantine Station, 2813-15
Pension Act Amdt. Bill, 4372
Pensions, widowed mothers, 639, 4372
Permanent Court of International Justice, 2720-33, 3014
Prisons and reformatories, 3011
Proclamation—enforcement of Acts of Parliament by, 3758
Public buildings—Nova Scotia, 2736-71
Public harbours, 2229-31
Public Works—Engineering branch, 4083
Purchasing Commission, 1102
Quebec riots, 1511
Reid Newfoundland Company, 1486
Relief of distressed seamen, 4039
Returned Soldiers Insurance Act Amdt. Bill, 4262
Ross Rifle, 2783-7
Royal Canadian Mounted Police Act Amdt. Bill, 2484
Russian currency, 1072
Senate and House of Commons Act Amdt. Bill (Ministers and directorships) 659
Sheridan, Mr. John, resignation and reinstatement, 4503-4
Shipbuilding, 1280
Statistics Act Amdt. Bill, 3758
Steamship routes, new, 1494
Welland canal, construction, 2994
West Indies steamship service, 1490
Wharves and breakwaters, Cape Breton, 4103
Wheat Board, loss under, 1461
Witness fees, 3937

McLean, Mr. H. H. (Royal)
Chief Justice, salary of, 1562
Income tax, Chief Justice, 1561

McLennan, Professor, 1428. *See also* Research

McLeod, Late Col Harry, tribute to, 3-4, 153

McMaster, Mr. A. R. (Brome)
Address in reply to Governor General's Speech, 65; congratulations to mover

McMaster, Mr. A. R.—*Con.*
Address—*Con.*
and seconder; criticism of speech of Mr. Nesbitt; unemployment insurance; the tariff, 65; Minister of Trade and Commerce and League of Nations; speech of the Prime Minister, 66; right of the Government to carry on—pledged to hold office only during war and demobilization; evidence of the agreement, 67; no difference between parties in desire to win war—conditions in 1904 and 1917 not comparable; Brown-Macdonald coalition; National Liberal and Conservative party, 70; Ministry not united on tariff question; position of the Minister without portfolio (Mr. Spinney) 71; election of Minister of Customs; a portfolio for Quebec; tariff attitude of Liberal party, 72; platform adopted at Liberal Convention of 1919, 73; parliamentary institutions on trial—the Prime Minister a usurper; Liberal Unionists elected for war only, 73; fate of Government in their hands, 74
Air Board, 3779-83
Ames, Sir Herbert, resignation, 1301
Automobile theft, 3913
Bankruptcy Act Amdt. Bill, 2934-9
Bounties on oil, 1387
Budget, 3164. Income tax; League of Nations, 3165; war expenditure; protection of industries, 3166; debt and revenue; exports and imports, 3167; exchange rate; tariff schedule, raising of, 3168; short-sighted uneconomic policy, 3169; sales tax; cocoa, duties on, 3170; public men and private interests; St. John city, representation of, 3172; foreign governments; Ministers soliciting business, 3173; Imaginary letters
Business of the House
Estimates on Thursdays and Fridays—Rule 17C, 960
Progress of, 1230
Canada Temperance Act Amdt. Bill
Costs, 4377
Pending litigation, 4377-86
Rights of litigants, 4377
Canada-West Indies Trade Agreement, 2251-9
Canadian Nationals Definition Act, 649, 767
Canadian National Railways
Board of Directors, 1667
Questions on order paper, 1763
Special Com., M., (Mr. A. K. Maclean) 1608

McMaster, Mr. A. R.—*Con.*
Canadian Northern Railway
Certificates, issue and sale of, qu. 605
Guaranteed bonds, sale of, qu. 604
Canadian representation in the United States, 2395
Cattle embargo, 765
Compensation for slaughtered animals, 1062
Criminal Code Amdt. Bill, 3900, 3913-17
Customs and Excise Dept. Bill
Purchasing power of European countries, 4430
Valuation of currency, 4430
Valuation for duty, 4412
Customs brokers, payment, 1090
Customs—foreign monetary standards, qu. 1133
Customs Tariff, 1907, Act Amdt. Bill—imported goods, marking of, 3944-54
Delinquent children, 3012
Documents placed on Hansard without being read, 1539
Dominion Elections Act Amdt. Bill, 4247-8
Election papers, 3098
New forms, 3101
Expenditures, curtailment of, 2978
Flax bounty, 1393
Fox breeding, 1428
French Trade Agreement, 2130-39
Fruit growing in Eastern Townships, 1043
Grand Trunk
Equipment trust certificates, qu. 604
Guaranteed bonds, qu. 604
Halifax Shipyards, Limited, 1698
Harbours and rivers, estimates, 3973-8
Health of Animals, diseased herds, 1048
Highway construction in Ontario, 4290-4302
Imaginary letters, 3173
Good taste, 3174
Immigration, 2572-82
Imperial Mineral Resources Bureau, 4499
Income tax, qu. 3260
Interim supply, 2012
Interior Department, reduction of estimates, 1334
Justice Department, purchasing agent, 1079
Lake of the Woods Control Board Bill, 2355
Lake of the Woods Regulation Bill, 4204-24
League of Nations, contribution, 2359-70
Lignite, 4499
Maisonneuve and Gaspé, representation, 2328
Maple Products Act, 1920, Amdt. Bill, 2559
Military preparation, 2295, 2303

McMaster, Mr. A. R.—*Con.*
Ministers of the Crown and directorships, 2228
Ministers to sit in either Chamber, 1169
Naval Service, 4022
"Niobe" and "Rainbow", sale, 4013-29
Parliament buildings, 3998
Penitentiaries
Saskatchewan, increase in, 1091
Point of order—irrelevancy, 1066
Post Office Act Amdt. Bill, 2120-22
Prisons and reformatories, 3012
Privy Council, limitation of appeals, 1089
Proportional representation, 1548
Purchasing Commission, 2016
Railway Board and Intercolonial, 1655
Reciprocity agreement with the United States, 2054
Research, 1427
Return, inquiry for, 3008
Returned Soldiers' Insurance Act Amdt. Bill, 4360
Senate and House of Commons Act Amdt. Bill (Ministers and directorships) 258, 585, 662
Statutory expenditures, 1423
Trent canal, 2953
University professors and scientific research, 1436

McNeil, Archbishop, and Housing, 1137

McPhail, Sir Andrew, 1353-55-60

McQuarrie, Mr. W. G. (New Westminster)
Farmers, protection for, 3748
Fisheries of British Columbia, 861
Housing, 1144
Natural resources, 861
Poultry industry in British Columbia, 3750
Unemployment and immigration, 1364

Machinery. *See* Agricultural machinery; implements

Madrid Postal Conference, 3001

Magdalen Islands
Steamship service, 557, 767

Magill, Dr., 1451, qu. 1624

Magrath, Mr. C. A., and Fuel Supply, 1256

Maharg, Mr. John A. (Maple Creek)
Address in reply to Governor General's Speech, 485; congratulations to Prime Minister—statement attributed to Prime Minister; allegation that farmers in alliance with Bolshevists; what farmers did in the national crisis, Wheat Board, 487—results of discontinuance, 488; platform of Canadian

Maharg, Mr. John A.—*Con.*
Address—*Con.*
Council of Agriculture, 489; fiscal policy of Great Britain—Government's record—elections; United Grain Growers, sale of agricultural implements; pamphlet attributed to Mr. Cowan, 491; Government supplies purchased in the United States, 492; Canadian manufacturers refuse to sell to farmers' co-operative organizations; Commission to inquire into grain trade, 493; British Columbia apples, 494; the amendment, 495
Agriculture Dept., salaries of officials, 1036
Budget, 3362. Reference to Prime Minister's speech; Mr. Norman P. Lambert and his article, 3363; cream separators and the free list, 3364; protection and Great Britain, binder twine industry, 3365; imports and revenue, adverse balance of trade, 3366; tariff reduction, 3368; home market, 3369; western grain shipments, 3370; freight rates, 3371; implement manufacturing, 3372; sales tax, 3373; railway situation; canal expenditure, 3374
Canadian Government Merchant Marine, West Indies trade, 1913
Canadian Wheat Board, 1449
Flour, cost of, 1450
Fruit inspection in the West, 1043
Government marketing of wheat, 1460
Grain
Chemistry expert, 1228
Commission, 1447, 1462
Overages, 1463
Transportation rates, 999
Great Lakes-St. Lawrence waterway, 749
Great Lakes, ships on, 1913
Ocean freights, 1936
Magill, Dr., and Agrarian group, 1451
Point of Order—political sagacity, 1066
Resignation of, 4340
Returned soldiers, employment on Welland canal, 3001
Saskatchewan
Co-operative Elevator Company, qu. 391
Militia organizations, 2794-6
Searls, Mr. George, grain inspection, 1445
Shipbuilding, 1920
Steamship subsidies, 1492
Terminal elevators, 1463
Wednesday evening adjournment, 1842
Welland canal, construction, 2999-3003

Mail Bags, repairing of. *See* Penitentiaries

Mail Contracts, 1823. *See also* Post Office; Rural Mail

Mail Contracts—*Con.*
Ste. Rose de Watford, qu. 3209
White Horse-Dawson contract, qu. 2686

Mail Subsidies, 1485. *See also* Steamship subsidies

Main Ducks, life-saving station, 1991

Maisonneuve and Gaspé, Representation of, 2247, 2310, 4437
M. (Mr. Edwards) 2314; agreed to, 2343
See also Privileges and Elections

Majority of Votes. *See* Proportional Representation

Management. *See* Canadian National Railways

Mange. *See* Health of Animals

Manion, Mr. R. J. (Fort William and Rainy River)
Address in reply to Governor General's Speech, 351; congratulations to Prime Minister; Liberal-Unionists not weak-kneed, servile or subservient, "Liberals" and "Conservatives", 352; the tariff, historical alignment of parties on, 353; the Farmers' party and free trade; position of Mr. McMaster; agricultural and industrial interests; the Government's mandate, 354; demand for election; no criticism of policies, principles or legislation; personal criticisms of Prime Minister and Quebec, 355; representation of French Canadians on Boards and Commissions, Supreme Court; friendship between Quebec and rest of Canada; Military Service Act; sane elements do not want election; the Government's record, 356; Canada's status, League of Nations; no charges against Government; the country prosperous, 357; social conditions; Canada's problems, 358
Alcohol and medicinal preparations, 3731
Budget, 3231. Speech of Mr. Clark (Red Deer) 3231; taxing of necessaries of life, 3232; attitude of Mr. Fielding on tariff; free trade policy in the United Kingdom, 3233; tariff policy for Canada a vital one, 3234; tariff and revenue, 3235; cheap countries; moderate tariff, 3236; carrying trade of Great Britain; adverse balance of trade; Great Britain's exports and imports, 3237; agriculture declining in the United Kingdom; United States manufactures and shipping, 3238; Great Britain suffering under free trade policy, reciprocity and the Fordney Bill, 3239
Canadian National Railways
Lake Superior Branch and Fort William, 3050
Canadian Representation in the United States, 2414-32
Civil Service Act Amdt. Bill
Religious holidays, 4491
Grand Trunk Arbitration Bill, 2474
Great Lakes-St. Lawrence waterway, 682
Macallum, Professor, 1435
Natural resources, Res, 841
Oleomargarine Act Amdt. Bill, 3879; Amdt. 3886
Opium and Narcotic Drug Act Amdt. Bill, 7, 2903

Manitoba
Grasshopper plague, 1027
Harbours and rivers, 3975
Highways, 4308
List of candidates and votes polled, 1539
Transfer of Natural Resources to. *See* Natural Resources

Manson's Landing, wharf, 3980

Manufacturers. *See* Address, Budget, Canadian Manufacturers Association, Customs and Excise, Labour, Trade Commissioners, Unemployment
Agricultural implements and United Grain Growers, 418, 491, 3372. *See also that title*

Maple Products Act Amdt. Bill
M. for leave to introduce: Speaker's ruling, 2150
Res. 2193, 2557; 1r., 2618; 2r., 2890, 3141, 3720

Maple Sugar, 887, 1047, 1474

Marcil, Hon. Charles (Bonaventure)
Baie des Chaleurs, steamship service, qu. 2506
Bonaventure-Gaspé mail service, qu. 577
Bonaventure wharves, 3992
Campbellton-Cross Point
Bridge, qu. 573, 3987
Ferry, qu. 573
Canadian Nationals, 777
Canadian National Railways
Gaspesian peninsula, train services, qu. 2623
Tourist traffic in Gaspesian peninsula, qu. 2622
Intercolonial—Campbellford train service, qu. 3903
St. Alexis, qu. 2375, qu. 3582

Marcil, Hon. Charles—*Con.*
Census commissioners and enumerators, qu. 696
Civil Service Act Amdt. Bill, 4284
Dredging, 3985
Gaspé Railway, qu. 962, qu. 2623
Inspection of Gas and Gas Meters, 608
Marcil, Mr. Joseph, pension, 3903
Marcil, Mr. Louis T., compensation for injuries, qu. 2942, qu. 3531
Metapedia valley highways, qu. 2505
Parliament buildings, 3993-8
Pensions, payment to Messrs. Louis T. and Joseph Marcil, qu. 2942
Quebec, Oriental and Atlantic and Quebec and Western Railways, qu. 573
Quebec salmon net licenses, qu. 1381, 2506

Marcil, Mr. Joseph, qu. 2942, 3903

Marcil, Mr. Louis T., qu. 2942, qu. 3531

Marcile, Mr. J. E. (Bagot)
Canadian National Railways
Ste. Rosalie-Bagot
Claims between, qu. 571
Disposition of unoccupied land, qu. 572
League of Nations, Canadian representatives, qu. 602

"Marie Lydia," schooner, 1985

Marine. *See also* Canada Shipping Act; Canadian Government Merchant Marine; Shipping. For vessels, *see that title*
Department
Estimates, 2190
Johnston, Mr. Alex., reappointment, 644
Marine insurance, 1703
Salaries, 1617
Shipbuilding, 1683. *See also* that title
Dredging
St. Lawrence Channel, 1991. *See also that title*
Hospitals, 3135. *See also* Health
Life-saving service, 1990
Lighthouses. *See* that title
Montreal Dry Docks and Ship Repairing, Limited, qu. 2191
Navigation
Aids to, 1996
Schools of, 1989
Ocean and river service, 1736, 1979
Pilotage, 1999
Shipbuilding. *See that title*
Signal service, 1997
Wrecking plants, 1990
Wrecks, investigation, 1988

Mariners, Sick, care of, 3129. *See also* Health

Maritime Provinces
Railway facilities, improvement of, 4516, 4561
Wooden ships, 1711

Marking of Goods. *See* Customs Tariff Act, 1907, Amdt. Bill

Marquis Wheat, 1033

Martin, Mr. Peter F. (Halifax)
Highways—Nova Scotia, 4304-7
Parliament buildings, 3993
Public Works—Engineers' Branch, 4090

Marwick, Mitchell and Company, Auditors, 1278, 1694, 1704, 1724, 1866, 1933. *See also* Canadian National Railways

Massey-Harris Company, 3393, 3496. *See also* Agricultural Implements

Massey, Hon. Mr., Prime Minister of New Zealand, interview with, 3008

Masters and Mates, Examination, 1736

Matane
Illustration station, 947
Wharves, 3992

Meat and Canned Foods Act
Administration of, 1048

Medicated Wines, 3709

Medicinal Preparations, 3709

Medicine Hat. *See also* House of Commons
By-election, 2151
Vacancy, 1174, 1293

Meighen, Right Hon. Arthur (Prime Minister)
Address in reply to Governor General's Speech, 28; mover and seconder of Address; personal and public relations with leader of Opposition; position of the Government; proposed amendment to the Address; right of the Government to retain office, 30; successor to and continuation of preceding government; issue in 1917; Government's duty in regard to war problems not yet done; the Government's right to retain office after principle upon which it was elected has been decided; appeal to people after Armistice, 32; no departure from policy justifying an appeal, 33; by-elections; reasons for the amdt., 35; leader of the Opposition seeking alliance with Farmers' party, 36; where Government stands on tariff; leader of Opposition evades issue, 37; no departure from historic policy proposed; challenge to dissolve Parliament; representation of the West, 38; duty of the Government to carry on; Opposition invited to make

Meighen, Right Hon. Arthur—*Con.*
Address—*Con.*
clear and specific statement on issue to be decided, 39
Agricultural machinery, standardization of parts, 584
Alderson, Mr. George B., claim for compensation, 2274
Amalgamation of departments, 1331
Amendment to Address, 348
Amendments, want of confidence, 1199
Ames, Sir Herbert, resignation of, 478, 1071, 1298, 1300, 1311
Archives, provision for, 2952
Arctic, expedition, 4106, 4113
Ascension Day adjournment, 2688, 2941
Audibility of debates, 1625
Auditor General's report, delay, 903
Bermuda, trade with, 1271
Board of Trade reports, forms in French, 2819, 3320, 3375
Bolsheviki and wreckers, 3451
Budget, 3322. Congratulations to Minister of Finance; revenue and expenditures; Mr. Fielding's amendment, 3323; Farmers' party servile tools and minions of Opposition, 3324; tinplate industry, 3325; Liberal party and free list, 3328; binder twine; Mr. Clark and free trade, 3330; Mr. Fielding's amendment and tariff reduction; protectionist speeches of Mr. Fielding, 3332; Liberal press and protection, 3336; Government's attitude on tariff matters, 3338; Prime Minister's speech at Sherbrooke, 3339; moderate protection the policy for Canada, 3341; United States tariff revision, 3342
Building Trades Conference, 1498, 1556
Burnham, Dr., treatment of by Serbian Government, 576, 1523
Business of the House, 1340. *See also* under this title, Estimates, Interim Supply
Adjournments, 1841
Ascension day, 2688, 2941
Eleven o'clock, 1841
Victoria Day, 3531, 3698, 3738
Agriculture and Justice estimates, procedure, 1074
Announcement, 1073
Closure, notice, of, 1979
Complaint of undue haste, 4450
Delay, 1618
Distinction between Ministerial statement and Amdt. in Supply, 1308
Estimates, lateness of hour, 1330
Estimates on Thursdays and Fridays—Rule 17C, 1074, 1215, 1682, 2103-6, 2887, 4544

Meighen, Right Hon. Arthur—*Con.*
Business of the House—*Con.*
Legislation pending, 2150, 2819, 3972
Monday—Government business, 2148
Non-debatable motions, 1320
Order of, 1618
Procedure, 1345
Prorogation, 4068, 4340, 4451
Public Bills and Orders, 2819
Second reading by consent, 2890
Questions
Inquiry as to, 2943
Subject matter of, 1071
Sittings
Long, 897
Morning, prorogation, 4340, 4451
Morning and Saturday, 4451
Saturday, 2818, 2777, 2941
Two o'clock, 3737
Wednesday, 1384
Evening, 1002, 1841
Supply, to-morrow, 1270
By-elections
Dates, 903
Medicine Hat, 2151
York-Sunbury, 2151. *See also* this title,
Canada Temperance Act Bill
Costs, 4386
Damages, 4387
Effect of proposed amendments on plebiscite, 4386
"Having in view the provisions of this Act", 4386
Pending litigation, 4386
Canada-West Indies Trade Agreement, 563
Canadian Government Merchant Marine, 1290
Insurance of officers and seamen, 4359
Special Com. proposed, 1440
Statement referred to, 1708
Canadian National Railways
Amqui station, 1177, 1233
Correspondence
Directors, with, 1004
St. Foy round house, 1502
Lord Shaughnessy's letter, 2503, 2890
Management, Information, M. (Mr. King) 1180
Private ownership, and, 1498
St. Foy round house, 767, 1502
Special Committee, reference to
Amdt. (Mr. A. K. Maclean) 1589
Notice of, 1618
Reference to, M. (Mr. Meighen) 1755, 1817, 1803
Amdt. (Mr. Crerar) 1812
Special Committee appointed, 1845
Sully, Que., 1134

Meighen, Right Hon. Arthur—*Con.*
Canadian National Railways—*Con.*
Transcontinental, Winnipeg-Quebec service, 2514
Canadian Representation in the United States, 2378-2431
Cattle embargo, 725, 730, 761, 4543
Commission, inquiry, 1072
Chicago Drainage Canal, diversion, 2226
Chief Justice, salary of, 1567
Chippewa Power Canal, 2444
Civil Service Act Amdt. Bill, 2776, 2778, 3901, 4485-7
Religious holidays, 4485-7
Returned Soldiers—preference—provisions recommended by Pensions Com., 4257, 4577
Civil Service
Bonus, 901, 1176; statement, 1233; 2029, 2113-15, 3531
Number of civil servants, names, classification, 4255
Religious holidays, 1384, 2776, 4485-7
Superannuation, 2820
Allowances, 2112
Churchill, Rt. Hon. Winston, reported statement, 2567
Conservation Act Repeal Bill, 3958-70
Cost of living, 4551
Crerar, Mr., and attitude on shipbuilding, 1978
Customs, Minister of, private business relations, 3081
Dairy Produce Grading Bill, 3760
Daylight saving in Ottawa, 2776, 2800
Debate
Motion to adjourn by member, closing discussion, 999
Debates, translation of French speeches, 701
Deceased members, tributes to, 3, 152
Destruction of documents, 1625, 2943, 2953, 4558. *See also* under this head Judge Snider's report
District Engineer's office at Edmonton, 4543
Dominion Elections Act Amdt. Bill (Prohibition plebiscite) 150, 152
Motion to vary order of House, 152, 242
Dominion Elections Act Amdt. Bill, 2944
Dominion Parks, 1343
Editorial Committee, 4558
Empire Cabinet, proposed, 1385
Estimates. *See also* under this title Business of the House
Opportunity for studying, 1290
Scrutiny of by Special Com., 1503
Supplementary, inquiry, 4070
Extradition Treaty with United States, 2687

Meighen, Right Hon. Arthur—*Con.*
Fertilizer Act Amdt. Bill, 2231-4
Foreign trade, 3224
French Trade agreement, 767, 1271, 1351, 1559
Fuel Supply problem, 1268
Special Com. appointed, 1439
Evidence in French, 4251
Gaspé peninsula railway facilities, 2509
German reparation—Canada's claim, 643
Governor General
Address to on retirement, 4433-5
Lord Byng, reported appointment, 4436
Appointment, 4541
Grain inquiry, 1674
Grand Trunk Arbitration, 1498
Correspondence, 1619
Further, tabled, 3738
Progress of, 3321
Revival of, 4436
Grank Trunk Arbitration Bill, 2247, 2346, 2397, 2447-80, 2560-4; Senate amdts. 2777, 2822
Grand Trunk Railway
Assistance, 1498
Default of interest, 1498
Directors, 3741
Interest, alleged default of, 1556
Shareholders—return, 3697, 3740
Highway construction in Ontario, 4300
Homesteads, 1347
Housing, expenditure
Loan, 4552
Point of order, 1135
Hudson Bay Railway, M. involving expenditure, 982
Immigration, Restriction of, 1127
Income Tax Act Amdt. Bill, 2819, 4352
Regulations, 1272
Returns, 2568
Insurance Act Amdt. Bill, withdrawn, 4453
Interim supply, 1682. *See also* under this title Estimates; Supply
Necessity for, 2004
Point of order, 2009, 2010
Procedure under, 1676
Interim Supply Bill, 2101-2116
Interior Department
Editors, 1331
Employees, dismissals, 1345
Surveyor General and International Boundary Commissioners, 1343
International Joint Commission. *See also under this title,* Lake of the Woods
Lake of the Woods Control, and, 1072, 1176, 1233, 4172
Judge Snider's report, 1625, 2943, 2951, 2445, 3209, 3697, 3905, 4436-53. *See also* under this head Destruction of documents

Meighen, Right Hon. Arthur—*Con.*
Judges Act Amdt. Bill, 2117
Labour Department
Alleged combines, 4551
Bolshevism, pamphlet, 4548
Fair wages, 4545
Industrial Disputes Investigation Act, 4549-52
Minister, 4545
Letter of in Gazette, 1642
Lake of the Woods Control, 1233. *See also under this title* International Joint Commission
Board, 789
Inquiry, 1176
Lake of the Woods Control Board Bill, 2033-36, 2348-55
Lake of the Woods Regulation Bill, 3903, 4171-4226
Correspondence, 4170
League of Nations
Canada's contribution, 2356
Labour, 4547
Maisonneuve and Gaspé, representation, 2321-9, 4437
Massey, Hon. Mr., 3008
Ministers to sit in either Chamber, 1157
Ministers of the Crown and directorships, 2228
Musk-ox and reindeer, 4543
National Catholic Labour Unions, 1638
National Industrial Conference, 4549
National Research Institute, 4555.
Natural resources, adjournment of debate, 894
Transfer to western provinces, 1337, 2541-50
Natural Resources Branch, 1343
Naval Service, Capt. Adams' alleged statement, 901
Newsprint, alleged combine, 2099
Northwest Territories Act Amdt. Bill, 3903, 4113
Oil
Leases, 1340, 2377
Surface rights, 583, 666
Oil and Gas permits and leases, 898
Oleomargarine Act Amdt. Bill, 3759, 3889
Ottawa Improvement Commission Act Amdt., 2941
Owens, late Thomas P., Editor of Debates. 258
Park St. Charles Company, proposed payment to, 4574
Parliament buildings
Book on, inquiry, 1175
Inscription on tower, 4543
Pension Act Amdt. Bill, 4262, 4361-5

Meighen, Right Hon. Arthur—*Con.*
Pensions. *See also* under this title Soldiers; Returned Soldiers
Deductions for insurance, 629
Widowed mothers, 632
Polish battalion for service in French army, 4054
Prime Ministers' Conference, 564, 1073, 2504, 2634-42, 3320
Naval defence—contribution of dominions to, 4256
Reported statement of Mr. Churchill, 2567
Printing Bureau. *See* under this title, Destruction of Documents
Privilege
Veniot, Hon. Mr., alleged offer to, 3688. *See also* under this head York-Sunbury
Privileges and Elections Committee, 2373
Proportional Representation, Special Com. appointed, 1554-5
Quarantine, typhus, 4170
Quebec Steamship Company, 2941
Railway Commission, alleged statements of Chief Commissioner, 2030
Reparations—difficulties between Allied Powers and Germany, 599
Representation in Parliament, vacancies, 1300
Research. *See* under this title, National Research Institute
Returned Soldiers' Insurance Act Amdt. Bill, 4260, 4356-60
Returned Soldiers. *See also* under this title, Soldiers
Housing, 4362
Relief for, 2688
Review of question, 4361
Special Committee, 732
Unemployment, 4361-4
Returns, inquiries for, 3321
Loans to Greece and Roumania, 3009
Motions for in general terms, 1555
Sheridan, Mr. John, resignation and reinstatement, 1499, 1555
Riding Mountain Park, 1343
Roumania, loan to, 1441
Senate and House of Commons Act Amdt. Bill (Ministers and directorships) 657, 2228
Senate representation in Saskatchewan, 2567
Shipbuilding, 1290, 1976
M. that further consideration be postponed, 1979
Soldiers' insurance, pensions and reestablishment, 4054
Speaker's Chair, 3692

Meighen, Right Hon. Arthur—*Con.*
Statistics Act Amdt. Bill, 3758
Supply. *See* under this head Business of the House; Estimates; Interim Supply
Tariff Commission report, inquiry, 1127
Tariff Revision, 2346. *See also* under this head Budget
Unemployment relief, 4549
Vacancies, 478, 1304. *See also* under this head By-elections
Victoria Day adjournment, 3531, 3698, 3738
Water powers, director of, 1345
West Indies Trade—Bermuda, 1271
Western provinces, natural resources, 1338-7
White, Sir Thomas, 477
York-Sunbury election, 2151
Government platform, 3481
Hon. Mr. Veniot, alleged offer to, 3638, 3716, 3688
Correspondence, 3716
Reference to by Mr. Stevens, 3627-8

Meighen, Mr. William, Warden of Dorchester penitentiary, 1092

Members. *See* House of Commons

Mencius, political economy of, 3228

Mental Defectives, Immigration of. *See* Immigration

Mental Hygiene, 3143

Merchandise, Branding of. *See* Customs

Merchant Marine. *See* Canadian Government Merchant Marine

Merchant Shipping. *See* Railway Act Amendment

Merchant Ships. *See* Canadian Government Merchant Marine

Meredith-Duff Commission, 1788

Metal Tokens. *See* Criminal Code Amdts.

Metropolitan. *See* North American

Mewburn, Hon. S. C. (East Hamilton)
Battlefields Memorials Commission, competitive designs, 2566
Canadian National Railways and Shipping, Special Com., first report, 2095
Criminal Code Amdt. Bill (Warrant of Commitment) 2686
Fortifications of Quebec, 969
Militia
Cadet services, 2297
Command pay, 2291
Record office, 2281
Patent Act Amdt. Bill, 4457
Pensions
Widowed mothers, 635
Withdrawal from Government, 451

Mexico, compensation, 1507

Michaud, Mr. Pius (Restigouche and Madawaska)
Address in reply to Governor General's Speech, 436; Assembly of the League of Nations; Canada's war sacrifice; nations that profited should help the sufferers; immigration and repatriation; the tariff; early appeal to electors, 437
Canadian National Railways—cedar posts, qu. 1130
Cattle embargo, 566, 4543
Crosspoint-Campbellton bridge, 3987
De Martigny divorce, 3762
Dorchester penitentiary—farm, 1097
Dredging, Restigouche river, 3984
Edmundston post office, qu. 3422
Exchange, value of pound and dollar, qu. 3770
Fertilizer Act Amdt. Bill, 2233
Fisheries—Dominion and provincial jurisdiction, 2105
Grain elevators, 1443
Grand Trunk, Portland terminus, 1384
Madawaska, public building required, 2809
Parliament buildings, 3994
Pension Act Amdt. Bill, 4368
Potato seed inspectors, 1033
St. John and Quebec Railway, qu. 1501
St. John and Quebec Railway Bill, 2031
Sheridan, Mr. John, resignation and reinstatement, 4502
Shipbuilding, 1944
Tariff Commission, report, 1127
Transcontinental Railway
Claims against, 1656
Wilson, Judge, qu. 1622

Middlebro, Mr. W. S. (North Grey)
Ames, Sir Herbert, resignation, 1296
Bankruptcy Act Amdt. Bill, 2934
Civil Service (Res. Sir Sam Hughes) Political patronage, 831
Grand Trunk Arbitration Bill, 2467-71
Pairs—Correction of list, 563
Privileges and Elections Committee, 2373

Migratory Birds Convention Act Amdt. Bill
1r., 2442; 2r., 2891; 3r., 2892
Enforcement, 4496

Militarism, 2294-2305, 2789-93. *See also* Military Expenditures

Military Authority. *See* Quebec riots

Military Districts, 2788-92
No. 12, 2279

Military Expenditures, 266, 509, 2294, 2305, 2792, 3269
Comparison by years and countries, 3270
Defence figures of various countries, 3275

Military Preparation, 2294, 2305

Military Service Act, 320, 356, 2807, 3200, 3678. *See also* Quebec Riots
Employment of Mr. Stewart, qu. 2028
Exemption of farmers, 3516, 3592

Military Stores Shed, Cartier Square, qu. 3208

Militia and Defence
Annual drill, 2294, 3405
M. (Mr. McCoig) to reduce amount, 2296
Armouries for public meetings, 901
Associations, grants to, 2439
Cadet services, 2296
Command pay, 2290
M. (Mr. Power) to reduce amount, 2292
Department
Anderson, Mr. A. H., qu. 735
Ashley, Sergt. T., qu. 3090
Black, Mr. A. H., qu. 755
Brackenbury, Mr. G. B., qu. 735
Central registry, 2281
Chief Engineer and Controller of Military lands, 2241
Douglas, Mr. H. S., dismissal of, qu. 735, 2246, 2277
Employees
Female, 2286
Increase in number, 2014
Quebec, in, dismissal, 2237
Retirement of, 4267-70
Engineer services, 2439
Permanent force, strength, 2278, 2797, 2800
Photographers, 2245
Record office, 2241, 2278-80
Salaries, 2234, 2275
Separation Allowance and Assigned Pay Branch, 2281
Supplies, 2239, 3244-5
Sale of to Roumania and Greece, 2245, 3564
Transfer to other departments, 1098
Survey Division, 2243, 2284
Topographic Surveys, 2806
Estimates
M. (Mr. Pedlow) to reduce amount, 2287-8
Highland regiments, 2307
Lee-Enfield rifle, 2783
Military and civilian caretakers, qu. 4340
Military district No. 12, 2279, 2792-97
Ordnance Arms and Lands, 2441, 2781
Permanent Force, 2278, 2797, 3279, 3405
Pensions, 2278, 2236
Strength, 2235
Purchasing Commission and Supplies, 2239
Ross rifle, 2783

Militia and Defence—*Con.*
Royal Military College, 2802
Staff
Pay, 2787
Reduction, 2234-46, 2282
Warlike stores, 2807

Milk, Prices of, 3197

Milk River, water rights, qu. 2099

Milk-Testing, 1037

Mill Feed, 1126. *See also* Feeds, Live Stock

Milling Industry, 3543, 3544

Mines and Minerals, 2141, 2162, 3250. *See also* Coal; Geological Survey; Natural Resources; Lignite Research
Alberta penitentiary mining rights, 1092
Conservation Commission, 3965
Development of, 841
Federal mining legislation, 871
Imperial Mineral Resources Bureau, 4498
Machinery, duties on, 373
Returned soldiers, prospecting, 871
Zinc deposits of Gaspé, 876

Minister of Customs and Excise, 3785

Ministers and Directorships, 258, 585, 650 2228. *See also* Senate and House of Commons Act Amdt. Bill

Ministers
Cabinet, and Post Office Department, qu. 1349. *See also* Blondin, Hon. P. E.; Minister of Labour; Postmaster General
Personal business, 3079, 3173-6, 3612
Proposed right to sit in either Chamber
M. (Mr. Lemieux) 1152; withdrawn, 1173
Upper Chamber in, 1154

Minority Representatives. *See* Proportional Representation

Missals. *See* Special War Revenue Act Amdt. Bill

Missisquoi Bay, net fishing. qu. 570

Missisquoi County
Census commissioners, qu. 1132. *See also* Census
Income tax forms in, 1176

Mitchell, Mr. A. J., 1609-10. *See also* Canadian National Railways
Business interests of, 3610

Model Villages. *See* Housing

Molloy, Mr. J. P. (Provencher)
Address in reply to Governor General's Speech, 495; congratulations to Prime Minister; demand for an election; the sub-amendment; redistribution and representation, 496; the amendment; soldiers, farmers, and business men; women against the Government; changed conditions, 497; danger in Government delaying; the Minister of Militia; Liberal and Agrarian platforms; the recall, 498; the acid test; Government must satisfy the manufacturers; tyranny and terrorism in 1917; people calling for an election, 499
Blood Indian reserve, qu. 1817, 1818
Live stock and grazing leases, qu. 1819, 2098, 2374, 2618
Fort Garry hotel, Winnipeg, qu. 1348
Grain Inquiry, Counsel, Secretary, cost, qu. 2625
Health of Animals
Glandered horses, 1054
Hog cholera, 1053
Inspectors, 1054
Lake of the Woods Regulation Bill, 4199
Manitoba harbours and rivers, 3975
Western farmers, 1035

Molasses
For destructive insects, 1027
For hog feed, 3787

Monastery station, 4324

Moncton
Canadian National shops, 1851
Census enumerators, 3972
Engine terminal site, 1017
Examining warehouse, 2815

Mondou, Mr. A., and Yamaska by-election, 3251

Monetary Standards, qu. 1133. *See also* Finance

Monsarrat, Mr. C. N., and Quebec bridge, 1653, 1670-71

"Montcalm," icebreaker, 1985

Montenegro Hospital Mission. *See* Burnham, Dr.

Montizambert, Dr., 3133

Mont Joli, 1800

Montmorency County, Tourist traffic, 4332

Montreal
Bank of, and Government ownership, 1895
Customs revenue, 3086
Grain handling at, 3371. *See also* Grain and Grain Trade

Montreal—*Con.*
Inquiry into public services, qu. 604
Post Office, Mutual Benefit Society, qu. 567
Registration of Government ships at, 1720
Revenue offices, qu. 1820
Transcontinental railway, qu. 574. *See also* Canadian National Railways

Montreal and South Shore Bridge, M. (Mr. Archambault) 2211

Montreal Dry Docks and Ship Repairing, Limited, qu. 2191

Montreal Gazette
Canadian Government Merchant Marine, comment on, 1707
National Catholic Labour Unions, 1627. *See also* Labour
Shipbuilding, criticism, 1893, 1900, 1917

Montreal Harbour Commission
Cold storage plants, 1041

Montreal Harbour Commission Bill
Res. 2151; 1r., 2160; 2r., com., 2268; 3r., 2269

Montreal Locomotive Company, 1203

Montreal Progressive Club and Mr. L. J. Gauthier, M.P., qu. 1131

Montreal-Quebec Pilots, superannuation, qu. 1501. *See also* Pilotage

Moore, Mr. Tom, and Labour, 1627, 1632, 1636

Morley, Alberta, air station, 3780

Morphine Imports, 3130. *See also* Opium and Narcotic Drugs Act Amdt. Bill

Morphy, Mr. H. B. (North Perth)
Air Board, 3780
Bankruptcy Act Amdt. Bill, 2931-3
Budget, 3454. Congratulations to Minister; free trade and protection; United Kingdom and Customs duties, 3455; United States protective tariff; beet sugar industry, 3456; Great Britain and world trade, 3457; protection of industries, 3459; trade with the United States, 3460; trade agents; Canadian Merchant Marine, attack on, 3462
Canada-West Indies Trade Agreement, 2261-2
Canadian Nationals Definition Bill, 768
Canadian National Railways, Toronto train connections, 4569
Canadian representation in the United States, 2404-30
Civil Service Act Amdt. Bill, 2827-79

Morphy, Mr. H .B.—*Con.*
Civil Service Retirement Act Amdt. Bill, 4119
Copyright Amendment and Consolidation Bill, 3841
Criminal Code Amdt. Bill, 3923-31
Customs and Excise Dept. Bill
Invoice certificate, fee, 4393
Molasses wash for hog feed, 3787
Trade agents, 3788-95
United States consular service, 3796
Customs Tariff Act, 1907, Amdt. Bill
Imported goods, marking of, 3952
Customs officer at Listowel, 3084
Debates, Official, distribution of, 2223
Entomology Bureau, 1025
Fuel Supply Problem, 1265
Geological survey, 2144-7
Grand Trunk Arbitration Bill, 2457
Great War Veterans, qu. 455
Highways
Construction in Ontario, 4304
London-Stratford-Sarnia, 4307
Hog cholera—Alderson claim, 1063
Illustration farms and stations in Ontario, 952
Inspection of Gas and Gas Meters Bill, 615
Linen yarn, bounty on, 1389
Maisonneuve and Gaspé, representation, 2331
Militia—photographers, 2245
Military districts, 2788-9
Polish battalion for service in French Army, 4056
Rulings and statements as Chairman
Estimates, vote to be dealt with as a whole, 2750
Senate and House of Commons Act Amdt. Bill (Ministers and directorships) 654
Stratford customs office, 3085
Trade agents and commissioners, 1475-77, 3460, 3788-95
Tuberculosis and pleuro-pneumonia in cattle, 1051
Wednesday evening adjournment, 1835
Wheat market, 1452

Morrison, Mr. J. J., rural depopulation, 403

Mortgages. *See* Housing

Motor Cars, Theft of. *See* Criminal Code Amendment Bill

Mounted Police. *See* Royal Canadian Mounted Police

Moving Pictures. *See* Trade and Commerce

Mowat, Mr. H. M. (Parkdale)
Address in reply to Governor General's Speech, 171; Liberal-Unionists; conditions of 1864 and 1917; George Brown; no difference in principle between parties, 172; municipal and common rights v. rights of corporations; temperance legislation; woman suffrage; Liberal measures sponsored by Government; nationalization of railways; the game of politics, 173; amendment; election; leader of the Opposition wants power; ambitions that came to naught, 174; no reason for want of confidence vote; the tariff; policy of Sir Wilfrid Laurier; tariff resolution of Liberal Convention of 1919, 175; "substantial reductions", 176; National Liberal and Conservative party; Canada's status as a nation, 177
Armistice Day and Thanksgiving, 2555
Armistice Day Bill, 2618
Bankruptcy Act Amdt. Bill, 2926
Canada Temperance Act
Costs, 4378
Rights of litigants, 4378
Commercial agents in the United States, 1473
Copyright Amdt. and Consolidation Bill, 3834-48
Criminal Code Amdt. Bill, 3931-36
Probation of Offenders, 2097, 3931
Dogs, docking of, 3936
Dominion Elections Act Amdt. (Prohibition plebiscite) 311
Fortifications at Kingston, 969
Grand Trunk Arbitration Bill, 2465
Great Lakes-St. Lawrence waterway, 687
Housing, 1148
Judges Act Amdt. Bill, 3010
Lake of the Woods Control Board Bill, 2350-2
Lake of the Woods Regulation Bill, 4225
Ministers to sit in either Chamber, 1167
North American Trust Company, 1127-8, 1130
Oleomargarine Act Amdt. Bill, 3865
Parliament buildings, 4000
Private Bills, extension of time, 1625
Probation of offenders, 2097, 3931
Railway Commission—alleged statement of Chief Commissioner, 2029
Senate and House of Commons Act Amdt. Bill (Ministers and directorships) 595

Mulgrave
Ice tenders, qu. 963

Mulgrave-Canso Steamship services, 1496

Municipal Cold Storage Plants, 1040

Murdock, Mr. James, 3603-4. *See also* Board of Commerce

"Muriel W.", steamer, 1990

Murphy, Hon. Charles (Russell)
Ambassador at Washington, qu. 671
Budget, date of, qu. 993
Budget, 3635; comment on speech of Mr. Stevens, 3636; Liberal Convention and Liberal platform, 3637; Mr. Crerar and York-Sunbury election, 3637; Budget born of necessities of Government, 3639; burden of taxation, 3640; Tariff Commission, 3640; speeches of Hon. Mr. Guthrie and Hon. Mr. Ballantyne, 3641; Hon. Mr. Calder and the Tariff, 3644; Canadian Manufacturers Association—Mr. G. M. Murray, 3645; newspapers—manufacturers, editorial control of, 3646
Building Trades Conference, 1498
Business of the House
Saturday sittings, 2941
Canadian Nationals Definition Act, 771, 2032
Canadian National Railways
Employees remuneration, qu. 1672, 1737
Lord Shaughnessy's letter, 2890
Management, Information—M. (Mr. King) 1198
Special Committee
M. (Mr. A. K. Maclean) 1573
M. (Mr. Meighen) 1806
Chief Electoral Officer's reports, qu. 577
Chippewa power canal, 2444
Civil Service Act Amdt. Bill, 2779, 2833-70, 2940
Returned soldiers, 4260
Customs and Excise Dept. Bill, foreign consular service, 3808-3995
Debates, translation of French speeches, 702
De Martigny divorce, 3765
Empire Cabinet proposed, 1385
Entomology—increase in item, 1024
Expeditionary force—Canteen funds, qu. 1133
Fox-breeding, 1430
French Trade Agreement, printing, 1380
Governor General, suggested appointment of Lord Burnham, qu. 599
Grand Trunk Arbitration Bill, 1498, 2448-77
Grand Trunk loan, 4135-7
Great Lakes-St. Lawrence waterway, 751
Griffenhagen and Associates, 1555. *See also* under this title, Civil Service Act Amdt. Bill

Murphy, Hon. Charles—*Con.*
Hickman, alleged deportation, qu. 574
Highways
Construction in Ontario, 4295
Hull-Wakefield, 3034
Imaginary letters, 3261
Immigration, 2570-5
Mental defectives, 3583
Officials, 3060
Woman supervisor, position, 3058, 3062
Imperial Conference, 1073
Income and Business Profits Taxes, qu 837
Inspection of Gas and Gas Meters Bill, 609
Interim Supply, granting of, 2007
Judge Snider's report, 4436
Lake of the Woods Control Board Bill, 2034-36
Lord Byng, appointment, 4541
Luxury tax, qu. 600
Macallum, Professor, 1431
Massey, Hon. Mr., 3008
National Gallery, 2684
National Research Institute, 2962-2708
Naval Service, Capt. Adams, alleged statement, 901
Parliament buildings, 4071-6
Pension Act Amdt. Bill, 4373
Prime Ministers' Conference, reported statement of Mr. Churchill, 2567
Printing Bureau
Employees in, qu. 1131
Extension to building, qu. 1383
Quebec riots, 1510
Questions, inquiry for, 1502
Research Council, industrial chemistry, 1434
Royal Canadian Mounted Police Act Amdt. Bill, 2481-2
Royal Canadian Mounted Police at Thorold, qu. 574
Royal Military College, 2805
Trade with Russia, 1003
Veniot, Hon. Mr., 3637, 3688
Welland canal, obstruction, 1990

Murray, Mr. G. M.
Editorial control of newspapers, 330, 442, 2622, 3645-7

Murray Bay public works, qu. 604

Murray Bay-Tadoussac Steamship Service, M. (Mr. Casgrain) for papers, 1528, 1822, 1825, 1930

Musk Ox and Reindeer. *See* Reindeer

Musselman, Mr. J. B., 3382

Myers, Mr. E. T. W. (Kindersley)
Address in reply to Governor General's Speech, 388; Amendment to amendment (Mr. Campbell); congratulations Prime Minister; tariff; policies of the parties; alliance between Liberals and National Progressives; reform of Senate; freight rates, 389; Canadian National Railways; coal; the grain trade; Wheat Board, 390; Royal Commission to inquire into marketing; shipment through Canadian ports; no urgent demand for election; redistribution, 392
Canadian Wheat Board, qu. 340
Income tax collections in Saskatchewan, qu. 2028

Nadeau, Dr., 3133

Nagle and Wigmore, 3077, 3172. *See also* Customs, Minister of

Nantel, Hon. Mr., 3019

Napier, Mr. J. J., qu. 1624

Nappan, Gurnsey cattle at, qu. 2686

"Narbethong," steamer, 2175

Narcotic Drugs. *See* Opium and Narcotic Drugs

National Advisory Council, 4363. *See also* Research

National Assets. *See* Fuel Supply Problem; Natural Resources

National Battlefields Commission
Fort Cumberland and Fort Moncton, 4540
Fortifications of Quebec, 967

National Catholic Labour Unions. *See* Labour

National Dairy Council, 1126

National Expenditures, Committee on, 1835. *See also* Estimates

National Gallery, 2684

National Industrial Conference, 4549. *See also* Labour

National Liberal Convention. *See* Liberal Convention

National Parks, 4495. *See also* Dominion Lands and Parks

National Policy, 3220, 3569. *See also* Address; Budget

National Progressive Party. *See* Progressive

National Railways. *See* Canadian National Railways

National Railways and Shipping, Special Com., reference to
M. (Mr. Meighen) 1755; names substituted, 2776. *See also* Canadian National Railways

National Research Institute, 886, 2566, 2688, 2892, 4555. *See also* Research Council Act Amdt.
Annual report, 2897
Bequests and donations, 2896
Bursarships and studentships, 2894
Co-ordination, 2892
Council, 2892
Discoveries and inventions, 2895
Establishment of, 886
Materials, investigation and standarization, 2893
Trade agents, 2893

National Transcontinental Railway. *See* Canadian National Railways

Natural Gas, 879. *See also* Gas; Oil and Gas

Natural Resources. *See also* Coal; Fuel Supply problem; Mines and Minerals; Research
Aerial explorations and surveys, 3776
Canadian hinterland, 852
Conservation Commission, 3961
Control of, 857
Development of, Res. (Mr. Manion) 841; neg, 894
Drainage of flooded areas, 871
Intelligence Bureau, 1343
Investigation of, 845
Mackenzie Basin, 879
Maple industry, 887
National Research Institute, 886. *See also* that title
Ownership of, 879
Timber and minerals, 893
Western provinces, of, 3555
Transfer to, 1336-40
Demand for, 484
M. (Mr. Campbell) 2519-84

Naturalization, 781. *See also* Canadian Nationals; Dominion Elections Act Amdt. Bill

Naturalization Act, 1914, Amdt. Bill (Aliens who served in Allied Armies)
1r., 2441

Nauru Island, phosphate deposits, 4541, 4255

Naval Defence, 183, 227, 266. *See also* Naval Service; Prime Ministers' Conference
Contribution of Dominions, inquiry, 4256

Naval Service. *See also* Canadian Navy
Adams, Capt. Henry C., inquiry, 901, qu. 1237
Air stations, 3780
Appropriation, 4017-19
Cost of maintenance, 2107
Estimates, 4010
Esquimalt, Naval College, 4016
Fisheries protection, 4036
Halifax and Esquimalt, dockyards, 4017-36
Halifax naval college, 4010
Naval cadets in Imperial navy, 4017
Naval holiday, 4020
"Niobe" and "Rainbow," disposal of, qu. 671, 4010-36, 4041
Pacific coast, vessels on, 4016
Preference in Civil Service appointments, 4482
Royal Canadian navy, estimates, 4010
Vessels presented by British Admiralty, 4016-23

Navigable Waters, obstructions, 1989

Navigation. *See also* Marine
Aids to, 1996
Schools of, 1989

Navy. *See* Naval Service

Navy League of Canada, grant, 4535

Nelson, Mr. Christian, 2880

"Neophyte", steamer, 1966

Nesbitt, Mr. E. W. (North Oxford)
Address in reply to Governor General's Speech, 60. Government's term of office; no reason to seek re-election; group government versus the two-party system; War Times Election Act; Quebec most stable province; unemployment insurance; the labour situation, 61; extravagant living followed by curtailment; work the only salvation, 62; the "interests" all must work together; the Government not responsible for unemployment; the tariff—reasonable protection, 63; members not elected to promote partisan, selfish interests, 64
Agricultural shows, 1245
Alcohol for hospitals, 3706
Bankruptcy Act Amdt. Bill, 2933-6
Budget, 3252. Sugar, price of; congratulations to Minister of Finance, 3253; income and business profits tax; tariff

Nesbitt, Mr. E. W.—*Con.*
Budget—*Con.*
revision, 3254; reciprocity; free trade England, 3255; revenue and expenditure; cost of living, 3256; immigration; Great Britain and free trade, 3258
Canada Temperance Act
Cases pending, 4377
Canada-West Indies Trade Agreement, 2253
Canadian National Railways
Special Committee, reference to
M. (Mr. A. K. Maclean) 1607
M. (Mr. Meighen) 1784
Civil Service Act Amdt. Bill, 2863, 4267-73, 4493
Consular agents, 1479
Customs and Excise Dept. Bill
Dumping, 4414
Invoice certificate, fee, 4393
Trade agents in United States, 4393
Trade commissioners, 4393
Valuation for duty, 4415
Customs Tariff Act, 1907, Amdt. Bill
Imported goods, marking of, 3712, 3724, 3942-55
Dominion Elections Act Amdt. Bill (Prohibition plebiscite) 306
Experimental farms and stations in Ontario, 950
Grand Trunk Arbitration Bill, 2460-75
Great Lakes-St. Lawrence waterway, 741
Health of Animals, 4508
Hog cholera, compensation, 1060
Housing, 1142
Hudson Bay Railway, 992
Immigration, 2602
Imported goods, marking of, 3712, 3724, 3942-55
Inspection of Gas and Gas Meters Bill, 612
National Research Institute, 2693
North American Trust Company, 1130
Pension Act Amdt. Bill, 4367-73
Pensions, widowed mothers, 636
Polish battalion for service in French army, 4057
Returned Soldiers' Insurance Act Amdt. Bill, 4262, 4357
Senate and House of Commons Act Amdt. Bill (Ministers and directorships) 651
Soldiers' pensions, insurance and re-establishment, 4057
Special War Revenue Act Amdt. Bill
Containers, 3755
Sales tax, 3735
Unemployment and immigration, 1357

New Brunswick
Minister of Public Works and York-Sunbury election, 3480. *See also* Veniot; York-Sunbury

Newcombe, Mr. E. F., and Grand Trunk Arbitration, qu. 1002

Newfoundland
Sick mariners, 3139
Steamship service, 1485, 1686, 1712

Newport News, Canadian vessels at, 1689, 1722

New York
Immigration officers at, 3131
Loans on Canadian bonds, 3288
Shipping pool, 1713

New Zealand
Steamship service, 1493
Trade with, 1223

Newspaper Comments on Shipbuilding. *See* Canadian Government Merchant Marine; Montreal; Press; Shipbuilding

Newspapers. *See* Press

Newsprint, alleged combine, qu. 2099

Nickel, Coinage, 2160
Five cent coin, 2160, 2269

Nicholson, Mr. Donald (Queen's, P.E.I.)
Address in reply to Governor General's Speech, 556; congratulations to Prime Minister; speech of Mr. Cannon; the Government's mandate; soldiers' vote in 1917, 556; the charge of coercion; majorities of Mr. Wigmore and Mr. McCurdy; Prime Minister's Truro speech; Canadian Mercantile Marine, 557; Magdalen Islands, Prince Edward Island; revenue, expenditure and taxation; highway expenditure in Nova Scotia; Mr. Maclean, Halifax, 558; revenue requirements; Mr. Gauthier; Quebec and other provinces, 559; stand by the national policy; toleration, 560
Highways, Prince Edward Island, qu. 2345

Nicholson, Mr. George B. (East Algoma)
Address in reply to Governor General's Speech, 283; congratulations to Prime Minister; a unique debate; no constructive criticism by Opposition; "bloodless neutrality"; programme of legislation; unemployment insurance and old age pensions, 284; League of Nations; the tariff; the Government's mandate, 285; unrest amongst business men and soldiers, 286; suggestion that leader of Opposition should form Government a "flagrant insult" to returned men; election, 287; policy of Opposition; Farmers' party, 288; United Grain Growers; stock feed; attitude towards farmers and milling industry; Mr. Norman Lambert, 289; flour, agricultural implements, profits—Mr. Rice-Jones; payments to newspaper for educational propaganda; campaign of "blatant hypocrisy", 290; increased representation for Quebec; the Prime Minister and Quebec—harmony, not discord, 291

Nicholson, Mr. George B.—*Con.*
Budget, 3299. Flotation of Canadian National Railway bonds in New York; foreign loans, 3300; Canadian National Railways; railway merging, 3308
Canadian National Railways
Special Com., reference to M. (Mr. Meighen) 1794
Canal tolls, 2975
Dominion Elections Act Amdt. Bill
Foreign-born wives of British subjects, 3103, 3106
Grand Trunk Arbitration Bill, 2565
Great Lakes-St. Lawrence waterway, 690
Interim supply, reduction of items, 2023
Permanent Court of International Justice, 2797
Railways and ships, 1730
Research, 1432
Supply—point of order, 2757
Trent canal, construction, 3975

"Niobe" and "Rainbow," sale of, qu. 671, 4010-36, 4041. *See also* Naval Service

Nolan Bill, 3008

Non-Confidence Motions, 1184. *See also* House of Commons, Divisions

Non-Political Operation of Railways. *See* Canadian National Railways

Norman, Dam. *See* Lake of the Woods

Norris, Hon. Mr., 4198

Norrish, Mr., 1226

North American Trust Company, 1094, 1127. *See* Private Bills Discussed

Northcliffe, Lord. *See* Gulf Pulp and Paper Company

North Sydney
Port of, 1282
Public Works—removal of officials, 2817
Terminus, 1487

North West Grain Dealers Association, 277, 297, 379

Northwest Territories Act Amdt. Bill (Council)
1r., 3903; 2r., com., 3r., 4113

Northwest Territories Explorations, 4494

Nova Scotia
Canadian National Railways
Freight to certain points, qu. 1620
Coal supplies, 1261, 3295. *See also* Fuel Supply
Fruit inspectors in, 1041, 1045
Highways, 4304-7
Mines. *See* Fuel Supply; Great Lakes-St. Lawrence

Nova Scotia Steel and Coal Company, 1611, 3407

Norwegian Boats and coastal trade, 1494

Nursery Plants, fumigation of, 1028, 1031

Oatmeal, tax on, 3735

Oats, 3395
Banner, 1033
Quaker, 2954-76, 3455. *See also* Grain; Trent Canal

Obregon, General, 1507

Ocean. *See also* Canadian Government Merchant Marine; Shipbuilding; Steamship services
Freight rates, 1936-61
Decline, 1273
Pacific steamship service, 1493
Shipments by United States ports, 1975
Shipping—Government control of, qu. 3530
Trade routes, 1888

Ocean and River Service, 1736, 1979

Ocean Limited, 1800

O'Connor, Mr. W. F., and cost of living, 3548, 3606

Ogilvie, Messrs. D. W., and Company, 1846

Oil. *See also* Oil and Gas; Natural Resources; Petroleum
Bounties, 1385, 1413. *See also* Trade and Commerce
Development, 844, 2162-4
Expenditure for discovery, qu. 695
Government regulation, 3539

Oil—*Con.*
Leases, qu. 564, 3539
Issuing of, 598, 2377
Delay, 2029, 2377
Payments under, qu. 673
Mackenzie district in, 879, 2162, 3206
Purchase from Great Britain, 1253
Regulations, 1340
Rentals, qu. 672
Stability of title, 854
Surface rights, res. (Mr. Griesbach) 578; withdrawn, 666
Wells, penalty for injuring, 3922

Oil and Gas
Leases and permits, qu. 734
Res. (Mr. Mackie, Edmonton) 894; withdrawn, 901
Rights, 2555

Oil Burning Steamers. *See* Canada Shipping Act Amdt. Bill

Old Age
Pensions, 2, 9, 231, 237, 263, 284, 395
Provision for. *See* Housing

Oleomargarine, 3384. *See also* Dairying
Importation of, 3852, 4439
Inquiry, 3531
Inspectors under, 1068
Materials for, importation, 3747

Oleomargarine, 3384. *See also* Dairying
Res. 563, 3759; 1r., 3760; m. for 2., 3850; Amdt. (Mr. Denis) 3879; neg. 3886; com., 3886; 3r., 3905
Subjects and Sections discussed:
Label with statement of ingredients
Amdt. (Mr. Robb) neg. 3896
Manufacture, importation and sale
Amdt. (Mr. Manion), limitation of one year, 3886
Agreed to, 3896
Amdt. to amdt. (Mr. Sutherland), oleomargarine not to contain milk or cream, 3887, neg. 3896

Ontario
Drury and Drury Govt. *See* that title
Duff, the late Hon. James, Minister of Agriculture, 1033
Government, expenditures, 3495. *See also* Drury
Highways, work on, qu. 1237. *See also* Highways
Prohibition plebiscite, 303
Referendum Committee, 304
Renfrew returning officer, 820
Voters' lists, 150, 242, 259, 303
Timber limits, 3391

One-sixth Vote. *See* Interim Supply

Open Market. *See* Canada Grain Act

Operation of Railways. *See* Canadian National Railways

Opium, imports of, 3130. *See also* Opium and Narcotic Drugs

Opium and Narcotic Drug Act. *See also* Health Department
Administration of, 3130
Convictions under, 3134

Opium and Narcotic Drug Act Amdt. Bill
Res. 1069, 2263; 1r., 2268; 2r., ref. to Special Com., 2346; com., 2897; 3009; 3r., 3009
Report of Special Committee, 2708
Senate amdts. concurred in, 4062
Subjects and Sections discussed:
Failure to pay fine, 2908
Household remedies, 2902
Indictable offence, 2897
Penalty, 2897-2907
Possession, 2903-6
Prescriptions not to be filled more than once, 2897
Sale or gift to minors, 2897
Whipping, 2897

Orders in Council. *See also* Purchasing Commission
Appointment of representatives to Assembly of League of Nations, 188
Immigration, 2585
Peace Conference, 397

Oriental Immigration. *See* Chinese

Ottawa
Cartier square, stores shed, qu. 3208
Daly building, rental, 4094
Daylight saving, 2687, 2776
Hunter building, 4094
Lighting roads and bridges, 4090
Noon gun, 4091
Newspapers and shipbuilding, 1925
Parliament buildings, 3992. *See also* that title
Public buildings, 4101
Rental of buildings in, 3989, 4092-6
The "Reno" of Canada, 4474

Ottawa Improvement Commission Act Amdt. Bill
1r., 2941; 2r., com., 3r., 3759

Overages. *See* Grain

Owen Sound, wharf, 3974

Owens, the late Thomas P., Editor of Debates, tribute to, 258, 430

Oyster Culture, 2177

Pacaud, Mr. L. T. (Megantic)
Belgium, credit to, qu. 577, qu. 1001
Purchases in Canada, qu. 736
Budget, 3343. Importance of debate; inefficiency of Administration, 3344; extravagance and economy, 3345; control by Parliament of necessary expenditures, 3346; credits to foreign countries; amendment of Mr. Fielding, 3347
Canadian Government Merchant Marine
"Canadian Ranger" and "Seigneur", qu. 1382

Pacific Ocean
Steamship service, 1493
Trade, 3649

Pacific Salvage Company, Limited, 1990

Packing Houses. *See* Health of Animals; Oleomargarine
Cold storage plants, and, amount collected, 607

Pagè, Dr., 3133

Paintings, in Senate Chamber, qu. 566

Pairs. *See* House of Commons, Divisions

Palmerston, Lord, and Don Pacifico, 1522

Panama Canal, Canadian shipments by, 3047

Panet, Mr. L. C., appointment as Deputy Sergeant-at-Arms, 3

Paper, Newsprint. *See* Newsprint

Papineau, Mr. L. J. (Beauharnois)
Canadian National Railway vessels, qu. 1349
Canadian Postal Guide, qu. 1349
Parliament buildings, furniture, qu. 2192
Staples, Mr. W. D., qu. 3260
War, adjustment of accounts, Canada-Great Britain, qu. 2191

Parasites. *See* Destructive Insects

Pardee, Mr. F. F. (West Lambton)
Address in reply to Governor General's Speech, 479; congratulations to Prime Minister; Minister of Militia, chameleon-like change of policy; the tariff red-herring; favoured free agricultural implements in 1914, 479; the Farmers' party, 480; reprisals against the United States; dissolution and appeal; by-elections; the "remnant" of Liberalism, 481; rural and urban representation; resignations of ministers; trust the people, 482

Pardee, Mr. F. F.—*Con.*
Budget, 3497. Tariff revision; luxuries tax; Great Britain, 3498; foreign trade; shipbuilding; railways and public ownership, 3499; position of Liberal and Agrarian parties, 3500
Civil Service Act Amdt. Bill, 2840
Civil Service bonus, 2111
Criminal Code Amdt. Bill, 3908-28
Customs and Excise Dept. Bill, brokers, 4432
Great Lakes-St. Lawrence waterway, 743
Harbours and rivers, amdt. 3979
Immigration Act Amdt. Bill, 3826
French language, 3824
Interior Department, draughtsmen, 1334
Lake of the Woods Regulation Bill, 4177-4226
Amdt. to 3r., 4226
"Niobe" and "Rainbow," sale of, 4018-32
Representation in Parliament, 1326

Parent, Mr. George (Quebec West)
Agricultural shows, 1242
Amherst drill hall, 2739
Annapolis public building, 2764
Boots and shoes, Canadian, 1225
Canadian Nationals Definition Act, 779
Canadian National Railways
Agents, 1605
Cancellation of trains, 1004
St. Augustin station, qu. 695, 3018
St. Foy round house, Res. 840, 967, qu. 1501
Correspondence, 1502, 1659
Shawinigan service, qu. 573
Chinese Immigration Act Amdt. Bill, 3829
Compensation for slaughtered cattle, 1050
De Martigny divorce, 3762-9, 4006
Director of Commercial Exhibits, 1226
Dominion Shipbuilding and Repair Company, qu. 3423
"Druid," steamer, 1984
Experimental farms, hours and pay, 932
Fruit inspection, 1047
Fuel Supply, Special Com., evidence in French, 4251
Highways, amount of vote, 3024
Icebreakers and steamers, repairs, 1979
Immigration Act Amdt. Bill, 3822-5
Inspection of Gas and Gas Meters Bill, 608
Intercolonial Railway
Work at Charny and St. Foy, qu. 1501
Interior Department, dismissal of employees, 1345
International Customs Tariff Bureau, 1438
Liquor, tax on, 3707
Militia
Dismissal of employees in Quebec, 2237
Surveys division, 2244

Parent, Mr. George—*Con.*
Montreal Harbour Commission, 2269
National Catholic Labour Unions, 1646
National Research Institute, 2896
"Niobe" and "Rainbow," sale, 4011-13
Pilotage, 1999
Post Office Act Amdt. Bill, 2120-24
Prince Rupert Dry Dock Engineering Company, qu. 3423
Printing, Government, 1439
Quebec riots, 1918, Res. 974, 1503
Railway Commission—jurisdiction, 3017
Railways, law costs, 3015
St. Augustin Station, qu. 695, 3018
St. Lawrence dredging, 1992
Supply—procedure, 3014
Surveyor General and Boundary Commissioners, 1342
Trent canal, 2606-16
Waterpowers, director of, 1346
Welland Canal, construction, 2990-3001
Wrecks, investigation, 1988

Paris Agency, 2437

Paris Green, 1030

Park St. Charles Company, Limited, proposed payment to, 4570

Parks. *See also* Dominion Lands and Parks
Antelope for, qu. 1134

Parliament
Availability of Information. *See* Canadian Government Merchant Marine; Canadian National Railways
Earlier sessions of, 1843
Information for. *See* Ministers
Prorogation. *See that title*
Representation in, 1293. *See also* House of Commons, Vacancies

Parliament Buildings, 3992, 4040, 4070-8
Acoustics, 3998-9, 4000
Architects' commission, 3995-4000
Brown, Hon. George—letter to Sir John Macdonald on former buildings, 4002
Building stone, 3994
Commons Chamber, 3996
Concrete, 3997
Cost, 3993-7, 4000
Draughts, 3998
Expenditure, qu. 4341
Furniture, qu. 2192
Inscription on central column, qu. 568
Inscription on tower, 3995-8, 4543
Library, 4000
Probable date of completion, 3992
Purchase of materials, 3994
Tower, 3993-9

Parliamentary and Departmental Printing, 1438. *See also* Printing Bureau

Parliamentary Control of Railways. *See* Canadian National Railways Special Committee

Parliamentary Elections. *See* Proportional Representation

Parliamentary Government. *See* Representation in Parliament

Parliamentary Guide, purchase of copies, 4533

Parliamentary Procedure. *See* Deputy Speaker; House of Commons; Speaker

Parliamentary Restaurant, 4536
Additional vote for, 4535
Joint Committee, 303
Manager, 2027

Participation Certificates, 340. *See also* Address; Canadian Wheat Board

Partridge Island Quarantine Station, 2808-15

Party Politics. *See* Canadian National Railways, Management

Passport Office, 2436

Pas, The, wharf, 3976

Patent Act Amdt. Bill
1r., 3007; 2r., 4453; com., 4456; 3r., 4460; Senate amdts. 4544
Subjects and Sections discussed:
Alien enemies, 4456
Fee, 4456
No patent void by failure to make or import between August 1, 1914, and Jan 10, 1922, 4457
Return of fees, 4457
Rights of those who have commenced to make, use, or sell, 4459
Time extended, 4457
United States legislation, 4454-60
Validity of patents protected during war, 4459

Patent Act Consolidation Bill, 4456

Patent Medicines, tax on, 3120, 3727-28

Patents, Commissioner of, 623. *See also* Exchequer Court Act Amdt. Bill

Patents of Invention Acts Consolidation Bill
1r., 303; M. for 2r., 2890; withdrawn, 2891

Patronage. *See* Canadian National Railways; Civil Service

Peace Conference, 164, 2629. *See also* Address; League of Nations; Permanent Court of International Justice; Prime Ministers' Conference
French Canadians, unrepresented, 552
Orders in Council, 397

Peat Industry, 2689. *See also* Supply problem

Peck, Mr. C. W. (Skeena)
Australian steamship services, 1495
Burnham, Dr., case of, 1526
Dease and Stikine rivers, qu. 1133
High Commissioner's office, 2438
Military districts, 2789
Militia, command pay, 2292
Rulings and Statements as Chairman
Decision of Chair must not be questioned, 1904
Members, reflections on, 1903
Shipbuilding, 1923
Interruption in debate, 1898
Special Committee on Returned Soldiers, 788

Pecuniary Claims Convention, qu. 736, qu. 1817, qu. 2027

Pedlow, Mr. Isaac E. (South Renfrew)
Air Board, 3778-82
Alberta penitentiary, 1115
Armistice Day Bill, 3773-6
Canadian National Railways
Purchasing agent, 1659
Cattle embargo, Amdt., 725, 758
"Champlain", steamer, 1995
Chief, Foreign Tariffs Division, 1437
Civil Service Classification
Filing clerks, 1660
Griffenhagen, 2242
Civil Service Retirement Act Amdt. Bill, 2488-2500
Civil Service (Res. Sir Sam Hughes) Political patronage; Liberal platform and administration, 815; defeated candidate should not control patronage; condition of civil service; discontent, dissatisfaction and unrest; classification and reorganization; Printing Bureau, 816; Civil Service Commission, competitive examination; census commissioners and enumerators, 817; prohibition plebiscite, returning officer at Renfrew, 820
Coats, Mr. R. H., salary of, 1232
Cocoa preparations, 3703
Confidential messengers, 1334
Customs and Excise Dept. Bill
Currency inflation and commodity prices, 4431
Fines, 4392

Pedlow, Mr. Issac E.—*Con.*
Customs and Excise—*Con.*
German bounty on sugar, 4432
German mark, 4431
Imports and exchange, 3810-12
Invoice certificate, 3799, 3803-04
Fee—who pays? 3804, 4391-4409
Obstacles to importation, 4410-16
Restrictions on trade—letter from Gillies Bros., Ltd., 4418
Trade agents, 4410
Valuation of currency, 3809-12-19, 4430
Customs Tariff Act, 1907, Amdt. Bill
Imported goods, marking of, 3938-55, Amdt. 3955
Customs estimates, 3087
Demography, chief of division, 1232
Fisheries, 2177-90
Flax industry, 1398, 1401
Free trade—Mr. Cockshutt, 3747
Halladay, Mr,, and Canada Cycle and Motor Co., 1227
Harbours and rivers, estimates, 3976-9
Horse-breeding, 1121
Imported goods, marking, 3712, 3720-23, 3938-55
Inspection of Gas and Gas Meters, 612
Interior Department, employees, 1343
Lignite, 4499
Militia
Estimates, 2239
M. to reduce, 2281-8
Purchasing Commission, 2239, 2287
Salaries, 2287
"Niobe" and "Rainbow", sale, 4015-19
Parliament buildings, 3994
Pembroke wharf, 4536-9
Penitentiaries, increases in estimates, 1109
Polish battalion for service in French army, 4051
Polish immigrants, rejected, qu. 914
Post Office
Letter rate, 4526
Parcel post rates, 4526
Purchasing agents, 4527
Rural mail carriers, 4527
Stamps, postage and revenue, 4526
Preferential tariff—West Indies, 3704
Preserved fruits, 3703
Royal Canadian Mounted Police Act Amdt. Bill, 2482
Shipbuilding, 1956
Soldiers' pensions, insurance and re-establishment, 4051
Special War Revenue Bill
Consideration en bloc, 3956
Houses, tax on, 3958
Lumber, tax on, 3743, 3957, 3958

Pedlow, Mr. Issac E.—*Con.*
Special War Revenue—*Con.*
Sales tax, 3755
Change in clause, 3957
Wholesalers opposed to, 3752
Steamship "Narbethong", 2175
Sugar imports, 3703
Trade and Commerce employees, 1226
Trade commissioners, 1399
Trent canal, 2606-16

Pelletier, Mr. F. J. (Matane)
Address in reply to Governor General's Speech, 381; previous arguments for dissolution endorsed; public ownership; Canadian National Railways; Board of Directors; employees and elections; sections granted privileges denied to others; Intercolonial, piling lumber in yard at Amqui; financial obligations due to nationalization; world-wide liquidation, 382; Prime Minister's duty to dissolve Parliament, 383
Canadian National Railways
Amqui station, 382, 1176
Illustration stations at Matane and Causapscal, 947
Matane, wharves, 3992
Quebec Union Telephone Company, 3343

Pembroke wharf, 4536

Penitentiaries, 1091, 1096. *See also* Justice; Prisons and Reformatories
Alberta, 1092, 1115
Appropriations for, 1104
Convicts
Number and cost of, 1092
Dorchester, 1092
Purchases locally, 1108
Salaries of officials, 1096
Warden, 1092, 4467
Flour purchases, 1107
Kingston, 1110
Staff and inmates, 1097
Trades at, 1092
Maintenance cost, increase in, 1111
Purchases, system of, 1108
Purchasing Commission, 1104
Report, 2027
Salaries and retiring allowances
Increases in, 1109-10
St. Vincent de Paul, 1078, 1091
Convicts, number of, 1091
Warden, qu. 575, 1078
Saskatchewan, 1091, 1110
Stony Mountain, release of prisoners, 477

Penitentiaries Act Amdt. Bill
1r., 3738-39; withdrawn, 3973

Pensions, 164, 2236-78. *See also* Returned Soldiers, Special Committee
Application forms in French, qu. 965
Assignment in payment of insurance premium, 4355
Board of Commissioners, 4366
British funds, disbursement in Canada, qu. 733
Brunelle, Sergt. Major N., 1518
Deduction from widows' pensions, 4369
Deductions for insurance premium, Res. (Mr. Power) 629; withdrawn, 630
Disability, qu. 1235
Etienne, Mde., claim, 4367
Marcil, Mr. Joseph, qu. 3903
Marcil, Messrs. Louis T. and Joseph, qu. 2942
Martel, Mde., claim, 4367
Old age. *See* Address
Permanent force, deductions from pay of, 2275
Refusal to soldier disabled by accident, 4366
Scale for deaths, 4266
Scale for disabilities, 4264
South African, 2278
Special Committee, final report, 4041
"Unmarried wife," 4369
Widowed mothers, Res. (Mr. Power) 630; withdrawn, 642, 4047, 4368

Pensions Act Admt. Bill
Res. 4262; 1r., 4266; 2r., com., 4361; 3r., 4373
Subjects and Sections discussed:
Board of Pension Commissioners, 4366
Deduction from widowed mothers' pensions, 4369
Housing, 4362
Increased sale, 4361
Interpretation of Act, 4366
Military Service, "as such," 4366
Statement by Prime Minister, 4361
Unemployment, 4361
Widowed mothers, 4368

Pentland, Mr., and Quebec Admiralty district, 1086

People's Representatives. *See* Ministers

Per Capita Expenditure and Debt, 2012, 3246

Permanent Court of International Justice Bill, 56, 285, 645. *See also* Canadian Nationals; League of Nations; Prime Ministers' Conference
1r., 2096; 2r., com., 2708; com., 3013; 3r.,

Permanent Force. *See* Militia; Pensions

Perrot Island bridge, qu. 576, qu. 603

Peterborough
By-election, 504
Milling industry, 3544
Trent canal, 2953. *See also* that title

Petitions. *See* Private Bills

Petroleum. *See also* Oil
Bounties, 1385, 1413
Government regulation, 3539
Leases, 3539
Natural gas, and, lease rentals, qu. 672

Pharmaceutical Compounds, 3726-7

Phonographic Discs. *See* Copyright

Pictou-Georgetown steamship services, 1496

Pierreville Postmistress, qu. 2624, 2858, qu. 3208; qu. 3422; qu. 3423. *See also* Yamaska

Pig iron industry, 3188

Pilotage, Administration of, 1999

Pilots, 1999
Montreal-Quebec, superannuation, qu. 1501

Pin, Mr. J. E. A., and Labour, 1642

Pipes, Mr., and Dorchester Penitentiary, 1093

Plate Glass Industry, 3513

Playing Cards. *See* Criminal Code Amdt. Bill—Three Card Monte
Tax on, 3126

Pointe Claire, wharf, 4312

Poisoning of Insects, 1028

Police Magistrates. *See* Judges

Polish Battalion for service in French Army, 4051

Polish Immigrants, rejected, qu. 964

Political Control of Railways. *See* Canadian National Railways

Political Patronage. *See also* Canadian National Railways; Civil Service
Lawyers selected by Government, 1077

Pollution of Harbour Waters. *See* Canada Shipping Act Amdt. Bill

Pontiac
Census commissioners and enumerators, 828, 1127

Population, increase of, 843

Pootmans, Mr. G., Vice-Consul for Belgium, 3347, 3379. *See also* Belgium, loan to

Porcupine Forest Reserve, 538

Portage du Fort, war record, 1928

Port Arthur and Fort William harbour improvements, 4536

Port Aux Basques, 1468

Port Colborne, breakwater, 3974

Port Hilford, dredging, 3983

Port Hood, wharf, 4088, 4104

Port Margaree, wharf, 2174

Port Nelson, dredging, 1853

Porter, Professor, 1427

Porter, Mr. George, Maycroft, Alta., 384

Portland Terminus, 1384, 3291. *See also* Grand Trunk

Postmasters. *See also* Civil Service Act Amdt. Bill; Post Office
Montreal and Toronto, qu. 566
Rural. *See also* that title
Appointment of, 2779, 4278-4460

Postmaster-General. *See also* Blondin, Hon. Mr.; Post Office
Election of, 1171
Necessity for presence in Commons, 1155, 4514
Payments to, qu. 567
Yamaska election, and, 3468

Post Office, 3003. *See also* Civil Service; Mail Carriers. For individual post offices, *see* their titles
Annuities, 4524
Canadian Postal Guide, qu. 1349
Department
Anderson, Mr., 4526
Cabinet Ministers, and, qu. 1349
Mail superintendents and postal inspectors
Res. (Mr. Casgrain) 841
Outside service
Maritime Provinces, Inspection Branch 4528
Parcel post rates, 4526
Postmen, bonus to, 3549
Purchasing agent, 4526
Railway mail service, 4516
Religious holidays, 2626

Post Office—*Con.*
Department—*Con.*
Reorganization, 804, 4514
Moon, Mr., 4518
Northrup, Mr., 4518
Retirement of officials, qu. 3772
Smith, Mr. Sydney, qu. 1236, 4518
Troop, Mr., 4518
Verret, Col., 4525
Superintendent and inspectors, qu. 965
Employees in post offices, retirement, 4268
Letter rate, 3571, 4515
Madrid Postal Conference, 3001
Montreal Mutual Benefit Society, qu. 567
Offices in Canada, qu. 1235
Parcelpost rates, 4526
Railway mail service, 4516
Bonaventure-Gaspé, qu. 577
Revenue and expenditure, 4515
Rural mail carriers, 4523. *See also* that title
Bonus, 2115
Saguenay district service, 1825
Stamps, postage and revenue, 4526
Statistical schedules, 3758
War tax, 4515

Post Office Act Amendment Bill
1r., 1619-20; 2r., com., 2120; 3r., 2944
Subjects and sections discussed:
Insurance of registered mail matter, 2120
Obligations of ferrymen, 2122
Unpaid or underpaid letters, 2121

Potato Bug, destruction by, 1932

Potatoes, 3224, 3525
Diseases, 1032
Export, 3442
Market for, 3473

Poultry Industry, 939, 1122
British Columbia, in, 3750-51
Egg production, 1242-3. *See also* Eggs
World's Poultry Congress, 4513

Power. *See also* Fuel Supply Problem; Great Lakes-St. Lawrence

Power, Mr. C. G. (Quebec South)
Address in reply to Governor General's Speech, 100. The new leader of the Government, 101; dissolution of Parliament and appeal to the people; different schools of thought; House of Commons "express image of the feeling of the Nation"; present parliament not representative, 102: history of the Government; power despotically used; Cabinet reconstruction; by-elections, 103; defections among Ministry and Government supporters, 104;

Power, Mr. C. G.—*Con.*
Address—*Con.*
Government has lost confidence of country; deficits from public ownership; Great War Veterans Association, 105; enforced isolation of Quebec, 106; the public conscience, 107
Administration of Justice, 1325
Alpine Club, 4494
Bankruptcy Act Amdt. Bill, 2913
Burnham, Dr., treatment by Serbian Government, qu. 576, 1525
Cabinet-maker, Interior department, 1342
Canada Temperance Act
Quebec petition for suspension of Act, 4382
Canadian Government Merchant Marine Vessels, names of, 1962
Canadian Nationals Definition Act, 782, 2033
Canadian National Railways
Employes, fraud by, 1669
Canal tolls, 2976
Civil Service Act Amdt. Bill, 2780, 2881
Returned soldiers—preference, 4483
Superannuation—increased allowances, qu. 3903, 4541
Coats, Mr. R. H., 1232
Dominion Elections Act Amdt. Bill (Prohibition plebiscite) 304
Expenditures on public works, 2983
Fiji Islands, Mr. Catellier, 1465
Foreign agitators and elections, 903
Forestry
Canadian Forestry Association, 4494
Director of, 1346
Immigration, medical inspection, qu. 572
Interior Department law clerks, 1332
Ireland, South, Parliament for, qu. 603
Judges, Admiralty, 1086
Lights, repairs to, 1996
Marine signal service, 1998
Militia
Ashley, Sergt. T., qu. 3090
Command pay, 2290
M. to reduce, 2292
Estimates, 2275, 2310
Permanent Force, M. to reduce estimate, 2797
Record office, 2278-81
Staff, 2787-91
Military preparation, 2305
Miniature natural resources cabinets, 1342
Moving pictures, 599
Opium and Narcotic Drug Act Amdt. Bill, 2265
Pensions Act Amdt. Bill, 4366-73
Pensions
Application forms in French, qu. 965

Power, Mr. C. G.—*Con.*
Pensions—*Con.*
Deductions for insurance, res. 629; withdrawn, 630
Permanent Force, deductions from pay, 2236, 2275
Widowed mothers, res. 630, 640; withdrawn, 642, 4369
Public Works—Quebec district, 2983
Quebec
Citadel, 1441
Fortifications, res, 967
Port and Merchant Marine, 1271
Riots, 1509
Ship repairing, 1986
Returned Soldiers Insurance Act Amdt. Bill, 4355-7
Ross rifle, 2782
Serbian Consul at Montreal, qu. 605
Shipbuilding, 1962
Soldiers Civil Re-establishment
Loyola college building, Montreal, qu. 569
Supply—Public Works, point of order, 2758
Trent canal, construction, 2983-94
Unemployment relief, qu. 570
Union Service Fund, qu. 2192
Welland canal, construction, 2983-94

Prairie Provinces
Grasshopper plague, 1027
Transfer of Natural Resources. *See* Natural Resources

Preferential Vote. *See* Proportional Representation

Presentation of Speaker's Chair. *See* Speaker's Chair

Press
Bureau in New York, 2400
Canadian Press Limited, qu. 564, 4533
Comment on Shipbuilding. *See* Canadian Government Merchant Marine; Shipbuilding
Defamatory libel, publication of court proceedings, 2149, 3933
Murray, Mr. G. M., and, 330, 442, 2622, 3645-7
Propaganda, 290

Press Gallery
Long sittings of House, 2887

Preston, Mr. W. R. T., 3383

Prevost, Mr. Jules E. (Terrebonne)
Budget, 3427. National Liberal and Conservative Government; railway policy, 3428; expenditure, public debt and re-

Prevost, Mr. Jules E.—*Con.*
Budget—*Con.*
venues; taxation, 3429; military expenditures and conscription, 3430; Canadian policy and Imperialist doctrine, 3430; Laurier and Colonial Conferences, 3431; Prime Minister and Quebec, 3435; fiscal policy, 3436
Canadian National Railways
Montreal-Transcontinental, qu. 574
Census, appointment of officials, 696
Debates, Official, distribution of, M. 2220-5
Highways
Approval of in Quebec, qu. 2098
Federal aid to, qu. 2375
League of Nations
Article X, qu. 575
Canada's contribution to, 1235
Postmasters, Montreal and Toronto, 566

Price-Fixing, 3200

Prime Ministers. *See* Ministers

Prime Ministers' Conference, 183, 193, 227, 246, 254, 270, 294, 467, 526, qu. 564, 2626, 3320, 4304, 4449
Agenda, 2504, 2638-47
Anglo-Japanese Alliance, 2637-9-57
Canada and the United States, 2653. *See also* Canadian Representation in the United States
Canada's status, 2642
Committee on Imperial Defence, 2637-49
Constitutional conference, 2637-8-47-49
Constitutional development, 2626-47
Imperial Conference, 2628, 2633-36
Imperial defence, 2633-44
Imperial War Cabinet, 2636-48
Imperial War Conference, 1917, res. 2626-36-48
International relations, 2651
Lloyd George and Mr. Churchill, 2633-44
Military, naval and air defence, 2640-50
Naval defence
Contribution of the Dominions to, 4256
Peace Conference at Paris, 2637
Proposed instructions to Prime Minister, 2554
Reparations, 2653
Reported statement of Mr. Churchill, 2567
Statement by Prime Minister, 2504
Wireless Communications, 2640

Primeau, Mr., and Railway Commission, 3018

Prince Albert, Soldier Settlement Board, qu. 673

Prince Edward Island
Harbours and rivers, 3990
Highways, Federal aid to, qu. 2345

Prince Edward Island—*Con.*
Railway, 4565
Steamship service, 558

Prince Rupert
Dry Dock Engineering Company, qu. 3423
Public Building, qu. 567
Purchase of land from Mr. V. W. Smith, qu. 963

Princess Creek, wharf, 3980

Printing Bureau
Bailey and Wolffe, Messrs., qu. 603
Building, extension to, qu. 1383
Destruction of Public Documents, qu. 599, qu. 603, 793, qu. 1621, 1625, qu. 2028, 2943, 2950-3, 4062, 4436-53, 4465, 4557
Canadian Postal Guide, qu. 1349
Judge Snider's Report, qu. 2028, 2444, 2943, 2951, 2952, 3209, 3697, 3761, 3905, 4062, 4436-53, 4557
Statement of Messrs. Fred Cook and Frank Lynch, tabled, 4541
Statutes, plates of, qu. 603
Employees in, qu. 1131, qu. 1348
Additional, qu. 1234
Long sittings of the House, 2887
Reorganization, 793, 802, 816, 834, 836, 2827-79, 4465. *See also* Civil Service

Printing, Joint Committee, 110, 2618, 2889, 4041

Printing of Parliamentary and Departmental Publications, 1438

Prisons and Reformatories Act Amdt. Bill
1r., 1069; 2r., com., 3011; 3r., 3013

Private Bills. *See* House of Commons, Bills

Private Bills Discussed
Canadian Bar Association, 1094
Central Railway Company of Canada, 3715, 3716
De Martigny divorce, 3715, 3761, 4002-10, 4078, 4107, 4203, 4477
Fort Smith Railway Company, 3771
Gilmour and Hughson, Limited, 1096, 2442, 2503, 2800
James MacLaren Company, Limited, 598
North American Trust Company of Canada, 1094, 1127
Quebec Steamship Company, 2775, 2941
Quebec Union Electric Telephone Company, 3343, 3421, 4105

Privilege. *See* House of Commons

Privileges and Elections Committee, 2314, 2373, 2617, 2685, 2775
Representation, Maisonneuve and Gaspé, 4437
Substitution of names, 2441

Privy Council, 99, 2105
Appeals, limitation of, 1089, 1090
"Insular" tribunal of England, 1090
Judges. *See* Judges Act Amdt. Bill
Law library, 1090
Salmon fishery licenses, qu. 104, qu. 1381, 2104, qu. 2506, 4341

Prize Money. *See* Agricultural Shows

Probation, system of. *See* Criminal Code Amendment

Progressive Party, 331, 539, 1531, 1546, 3324, 3356. *See also* Address, Budget, Canadian Council of Agriculture, Crerar, United Grain Growers
Abolition of patronage, 822, 3163
Attitude on Tariff, 3212. *See also* Budget Speeches
Canadian Council of Agriculture. *See* that title
Railway problem, and, 1789
Wheat Board, and, 1451. *See also* Grain and Grain Trade; Canadian Wheat Board

Prohibition, 4474

Prohibition Plebiscite, 303. *See also* Canada Temperance Act; Dominion Elections Act Amdt.
Alberta, 3901, 4374-88
Ontario
Renfrew returning officer, 820
Voters' lists, 150, 242, 259, 303

Proportional Representation, 346, 411
M. (Mr. Sexsmith) for adoption of, 1528
Amdt. (Mr. Calder) for Special Com., 1542
M., as amended agreed to, 1554; Special Com. appointed, 1554-5
Special Com., authority to print report, 2027

Proprietary and Patent Medicines, tax on, 3120

Prorogation, 4577
Alleged undue desire to hasten, 4068
Governor General's Speech, 4579
Probable date of, 4238-40, 4551

Protection. *See* Address; Budget; Customs and Excise Dept. Bill

Proulx, Mr. Edmond (Prescott)
British funds, disbursement in Canada, qu. 733
Buckley, Mr. Charles P., qu. 966
Canada Temperance Act
Pending litigation, 4384
Canadian Air Force, qu. 965
Canadian Bar Association, 1095
Cattle embargo, 766
Chief Justice, salary of, 1571
Civil Service
Bonus, 2115
List, qu. 1349
Res. (Sir Sam Hughes) Political patronage; amendments to Civil Service Act; Civil Service Commission; appointments in cities and rural districts; census commissioners and enumerators, 829
Clapp, Miss S., 1332
Condensed milk, tax, 3737
Cooper, Col. John A., qu. 697
Dairy Products Grading Bill, 4442
De Martigny divorce, 3765
Dominion Elections Act Amdt. Bill, 4247-8
Elections in France, 1552
Highways
Construction in Ontario, 4290-4306
Width, 4306
Judges
Exchequer Court and Grand Trunk arbitration, 1084
Superannuation and retirement, 1082
Justice Department
Lawyers in, 1077
Purchasing agents, 1079, 1115
Live stock breeding, 1116
Militia supplies, sale of, 1098
National Catholic Labour Unions, 1647
Post Office Act Amdt. Bill, 2121
Roumanian loan, interest, qu. 2344
Senate and House of Commons Act Amdt. Bill (Ministers and directorships) 593
Unemployment and immigration, 1356
Welland canal, sand contracts, qu. 600

Provinces doing business, and taxation, 3705-6, 3742

Provincial Legislation, reports on, 2373

Provincial Responsibility. *See* Housing

Provincial Rights. *See* Canadian Bar Association; Lake of the Woods

Publications, Government, 1438
Editorial Committee, annual report, 901

Public Accounts Committee, 3582, 4105
Motion for reference to Com., 1069
Report, 397

Public Buildings
Estimates, 4090
Ottawa. *See also* that title
Charwomen, 4092
Elevator attendants, 4090
Nova Scotia, 2737-42
Toronto customs house, 4095
Yukon, 4096

Public Documents, Destruction of. *See* Printing Bureau

Public Harbours. *See* Canada Shipping Act; Harbours and Rivers

Public Money, voting of. *See* Canadian National Railways; Estimates; Supply

Public Ownership of Railways, 381, 1187, 1196. *See also* Canadian National Railways

Public Printing and Stationery Department. *See* Printing Bureau

Public Records, provision for, 2947

Public Service Retirements. *See* Civil Service Retirement

Public Works
Bridges. *See* Bridges
Demobilization, 3989
Department
Accounts, paying of, 1606
Salaries, 2680, 2736, 2808, 2945, 4070, 4079
District Engineers' Office, Edmonton, 4535
Engineering Branch, reorganization, 4079
North Sydney, officials, 2817
Expenditures, 4101
Property, protection of. *See* Criminal Code Amendment Bill
Rents, repairs, etc., 3989
Shipbuilding, 1858. *See also* that title
Transfer of District Engineer's Office, Chatham-St. John, 4081

Pulp and Paper Industry, 873, 875. *See also* Natural Resources; Research
Freight rates on, 2511
Pulpwood, exportation, 3513, 3744

Punishments, Excessive or Inadequate. *See* Criminal Code Amdt. Bill

Purchasing Agents, 1079
Canadian National Railways, 1659

Purchasing Commission, 1080, 2015, 2142, 2163, 2190, 2287
Authority for appointment, 1114
Canadian National Railways, 1659

Purchasing Commission—*Con.*
Closure, notice of, 2025
Creation of by Order in Council, 551
Limit of $5,000 without tender, 1101
Members of, 2016
Militia supplies, 2239
M. (Mr. Lemieux) to strike out item, 2108; amended 2020
Penitentiary supplies, 1097, 1108
Post Office, 4527
Public Works, 2681-3
Staff of, 1113
Surplus War supplies, disposal of, qu. 736
Tenders, statute providing for, 1105

Pure-bred Cattle. *See* Health of Animals; Live Stock

"Pussyfoot" Johnston, 902

Quaker Oats Company, 2954-76, 3544. *See also* Trent Canal

Quarantine. *See also* Health; Immigration
Stations, 3128
Halifax, 2754-68
Partridge Island, 2808-15
Typhus, 4170

Quebec (City)
Arsenal, bonus to employees, 2113, 2782
Canada Temperance Act, 4382
Citadel, 1441
Elevators, 282, 1443
Employees, Militia, dismissal of, 2237
Fiset, Dr. Michel, qu. 963, qu. 4523
Fortifications, ancient. Res. (Mr. Power) 967; withdrawn, 970
Immigration buildings, 2757
Immigration officers, qu. 1131
Mail collection and delivery, qu. 576
Post Office, 4523
Riots of 1918
M. (Mr. Casgrain) 974
M. (Mr. Lavigueur) for compensation, 282
Mr. (Mr. Parent) 1503; neg. on division, 1518
St. Charles dam, 281
Transcontinental Railway workshops, 281

Quebec (Port)
Canadian Government Merchant Marine
Discrimination against, 1965
Unfair treatment by, 1271
Elevator, 1443
Equipment, 687
Park St. Charles Company, proposed payment, 4570
Repairing of ships at, 1986
Shipbuilding, 1972
Transcontinental Railway facilities, 280
Wharves, 3977

Quebec (Province), qu. 570
Attitude towards Government, 551, 3216. *See also* Address
Census commissioners, 832
Highways in, 2098, 2344, 3025, 3029-34, 4305-13-33
Increased representation, 391
Judicial district, judges, 1081
Vice-Admiralty district, 1084-6
Labour in. *See* National Catholic Labour Unions
Natural resources, 875
Salmon fishery, qu. 1381, 2104, qu. 2506, 4040, 4341

Quebec and Saguenay Railway
Mileage, 1005
Station agents, qu. 696, 963

Quebec and Western Railway, qu. 573

Quebec Bloc, 3216

Quebec Bridge, 1653, 1670

Quebec Conference. *See* Ministers

Quebec-Montreal Pilots, Superannuation, qu. 1501. *See also* Pilotage

Quebec Oriental and Atlantic Railway, qu. 573

Quebec Salvage and Wrecking Company, Limited, 1990

Quebec Steamship Company, 2775, 2941
Petition presented, 3005

Queen's University. *See* Research

Questions, inquiry as to, 1502. *See also* House of Commons

Questions Passed as Orders for Returns, 578, 605, 606, 698, 839, 967, 1002, 1238, 1350, 1625, 1674, 1821, 2029, 2099, 2376, 2625, 2687, 2821, 3090, 3830, 3905

Quinlan and Robertson, 1972

Railway Act Amendment Bill (Inland Shipping Rates)
1r., 1497, order for 2r., stands, 2557

Railway Act Amendment Bill (Discrimination in rates) 1r., 1232-33

Railway Adjustment Board, 4547

Railway Commission
Cases before, 3021
Chief Commissioner, 451, 1690, 1725, 3017
Speech of with reference to Canadian National Railways, 1202, qu. 2029
Fuel Control, 2944
Inland Merchant Shipping, and, 1497. *See* Railway Act Amdt. Bill

Railway Commission—*Con.*
Maintenance and operation, 3016
Members, 3016
National Transcontinental Railway, fire protection, 4337
Railway mail service, 4517
Railway rates, and, 1803

Railway Problems. *See* Canadian National Railways, Special Committee

Railways, 484, 3014, 4131. For individual railways see their titles
Canadian National Railways. *See* that title
Canadian Northern and Grand Trunk bonds, qu. 837
Car shortage, 512, 548, 3541, 4322
Charges on dining cars, 921
Coal for, duty, 1183-4
Coal mines in the United States, 4317
Competition, 1181
Deficit, 1577, 1585, 1946
Employees, income tax, 4353
Employees' wages, 1803
Export freight rates, 1224
Financial condition of, 1574
Freight cars for coal, 1254
Freight rates, 1009
Coal on, 1249, 1976. *See also* Fuel Supply
Government. *See also* Canadian National Railways
Auditing by Auditor General, 1189
Lack of information, 1336
Ships, and, 1730
Grand Trunk. *See* that title
Locomotives
Cost of, 1587
Obsolete, 1587
Roumania and Greece, for, qu. 1236
Losses generally, 1008
Mail Service. *See* Post Office
Management. *See* Canadian National Railways
Merging of, 3308
Minister of and administration of Canadian National Railways, 1190
Party politics, and, 1179
Public ownership, 508
Quebec, Oriental & Atlantic and Quebec and Western Railways, qu. 573
Railway Commission, under, 3017
Requirements for, purchasing, 1610
Securities, provincial guarantees, qu. 2619
Situation generally, 1007, 3406
Statistics, qu. 3422
Taxation, 1008
Tourist traffic, 4495
Traffic and government ships, 1936
Utilization of, 844

Railways and Canals, Department of, 3014
Annual report, 697
Buckley, Mr. Charles P., qu. 966
Law costs, 3015
Minister of, duties, 1663
Outside service, 1665
Printing and stationery, 4335
Salaries, 1652, 3014, 4131, 4288

Railways and Shipping Committee. *See also* Canadian National Railways, Special Committee
M. for Standing Com. on (Mr. A. K. Maclean) 1555, 1582-3

Railways, Canals and Telegraph Lines, Committee, 1174, 2247, 2708, 3005

"Rainbow" and "Niobe." *See* Ballantyne; "Niobe"

Rates. *See* Railways, Freight; Shipping
Discrimination in. *See* Railway Act Amdt. Bill

Real Estate. *See* Housing

Reciprocity Agreement with the United States, 268, 297, 1487. *See also* Address; Budget, Customs and Excise Dept. Bill Amdt. to Supply (Mr. Fielding) 2038; neg. 2075, 2393

Reclamation. *See also* Natural Resources
Dominion lands, 4495
Moose Range area, 871

Recorder's Court Jurisdiction. *See* Criminal Code Amdt. Bill

Record Office. *See* Militia

Redemption of Gold. *See* Currency; Gold

Redistribution. *See* Address; Budget; Proportional Representation

Redlich on Procedure, 1675

Redman, Mr. D. L. (East Calgary)
Fuel Supply problem, 1253
Highway grants—Alberta, qu. 1821
Oil bounties, 1418
Tobin, Mr. W. J., qu. 1133

Re-Establishment, 314. *See* Returned Soldiers; Housing
Special Committee, final report, 4041

Referendum. *See* Prohibition Plebiscite

Reformatories. *See* Prisons and Reformatories

Refrigerator Cars for Transportation of fish, 1038

Regina
Indian Commissioner at, 2167-9

Regional Exhibitions. *See* Agricultural Shows

Registered Parcels, Insurance, 1619. *See also* Post Office Act Amdt. Bill

Registrars. *See* Bankruptcy Act Amdt. Bill; Judges

Regulations, Oil and Gas, 894. *See also* Oil and Gas, Petroleum

Reid, Hon. J. D. (Minister of Railways and Canals)
Annual railway statement, 1004
Business of the House
Estimates, alleged agreement, 4532, 4569
Canadian Government Merchant Marine, 1702
Statement to be made, 902
Canadian National Railways
Betterments, 4317
Board of Directors, 4314
Box cars ordered, 331
Canadian Government railways—vote of $7,000,000 for working expenditure, 4335
Canadian Northern Railway Company, 3049
Loan of $50,000,000 to, 3037
Car shortage, 4323
Claims against, 1658
Coal mines in the United States, 4317
Correspondence with directors, 1003
Deficit, 4319
Electrification, 4328
Employees, 1735
Reduction in number, 1851
Expenditure, 1616, 1662
Fire claims in Shelburne county, 4569
Flavelle, Sir Joseph, 4142, 4314
Fort William terminals, 3052
French language, 4331
Halifax and South Western line, 3053
Lockeport extension, 4324
Hudson Bay Railway, 985
Information, 1782
Intercolonial Railway, 1655
Land at Lévis, 1849
Transcontinental, and, management, 1189
Joliette bridge, 4322
Joliette county, 3038
Loan of $50,000,000 to Canadian Northern, 3037
McAdoo award, 4325
Management of, 1440, 1654
Manitoba, construction, 3053
Maritime Provinces, improved facilities, 4568

Reid, Hon. J. D.—*Con.*
Canadian National Railways—*Con.*
Monastery station, 4325
Operating results, 4318
Operation, cancellation of trains, 1004
Portland terminal, 4317
Rails, price of, 1852
Special Committee, reference to, M. (Mr. Meighen) 1771-4
Tenders for coal and ties, 1772
Transcontinental, forest protection, 4337
Transfer of rails to France, 4569
Western lines, 3039, 3048
Canal tolls, 2962
Fuel control, 2944
Government ships, 1731
Governor General's cars, 3037
Grain transportation rates, 2967
Grand Trunk arbitration, expenses, 4355
Grand Trunk loan, 4131-69, 4314-34
Grand Trunk railway
Lines in United States, 4326
Portland terminus, 1384
Great Lakes-St. Lawrence waterway, 690, 740
Halifax Graving dock, 1698
Highways, 3030, 4289-4313
Construction, 3127, 3036
Expenditure on, 3024
Inspectors, 3023
Projected roads, 3026
Work on, 1661, 1664
Purchasing agents, 1660, 1670
Questions, answers to, 1502
Railway Commission, 3016, 3020
Cases before, 3021
Railway department
Auditors, 1661-70
Deputy Minister, 1665
Estimates, procedure in, 1666
Officials, 1654, 1660, 1672
Staff reduction, 1672
Travelling auditors, 1661
Railway estimates, 1652; 2953
Railways
Annual report, 1770
Congress, 3023
Items in supply, 3015
Law costs, 3015
Politics, 1771
Railway Commission, under, 3017
Traffic and Government ships, 1936
Red Deer river line, 3048
Returned soldiers, employment on Welland canal, 3001
St. John and Quebec Railway Bill, extension of time, 2030, 2152-7
Soldier Settlement Board, Maritime Provinces, 4532

Reid, Hon. J. D.—*Con.*
Tariff investigation report, 3055
Trent canal, 2953-60, 2606-17
Welland canal, 2025, 2966-3003

Reid, Mr. John F. (Mackenzie)
Address in reply to Governor General's Speech, 329; congratulations to Prime Minister; leaders who were born on the farm; new name for an old party; Government allied to big interests, 329; Mr. G. M. Murray and the press; Hudson Bay railway; Canadian National Railways, scarcity of cars, 330; grain blockade, United Grain Growers, Limited; National Progressive party, 331; business methods of the company; Mr. Guthrie's charges, 332; Mr. Rice Jones; names and birthplaces of directors; American settlers and goods, 333; Progressive movement not confined to Western Canada, 334
Agricultural implements, 3492
Bonds, War, Victory, tax free and taxable, qu. 2821
Briquetting plant at Bienfait, qu. 672
Budget, 3388. Comment on speech of Mr. Cowan; Agrarian and Liberal parties, 3389; economy in expenditure, 3390; tariff on agricultural implements; Canadian National Railways and freight rates, 3392; tariff revision; Grain Growers Guide, 3393; attitude of Government towards big interests, 3395; sales tax, 3396
Canadian National Railways
Grading in western provinces, qu. 570
Canadian Wheat Board, 2117, 2158
Cattle clubs, 1120
Cattle embargo, 717
Civil Service
Bonus, 2110
Civil Service Act Amdt. Bill, 2879-80
Civil Service (Res. Sir Sam Hughes) Political patronage in; Civil Service Federation; Saskatchewan Customs Association; National Progressive party; Federal Union No. 66, 822; Board of Hearing; Printing Bureau, 823; British Civil Service, no fault to find with appointments, 824
Cold storage plants, 1040
Distribution of pure-bred stock in Saskatchewan, qu. 1236
Emigration, United States to, 3068
Hudson Bay railway, 991
Immigration
Expenditure, qu. 2943
Immigrants, care of, 3069
Income tax, qu. 3422

Reid, Mr. John F.—*Con.*
Live stock commission men, bonding of, 1124
Natural Resources, transfer to western provinces, 2539-45
Opium and Narcotic Drugs, 2266
Parliament buildings, 3995
Pensions Act Amdt. Bill, 4365-71
Pensions, widowed mothers, 4371
Post Office Act Amdt. Bill, 2123
Public buildings—Nova Scotia, 2771
Returned soldiers, housing, unemployment, 4365-8
Ross rifle, 2784
Sales tax collections, qu. 2506, qu. 3830
Trent canal, construction, 2987
United States, emigration to, 3066
Vancouver island railways, qu. 3422
Yorkton Judicial district, 1080

Reid Newfoundland Company, 1486

Religious and Racial Questions. *See* York-Sunbury

Religious Holidays. *See* Civil Service; Post Office

Reindeer and Musk Ox
Arctic regions, report on, 2940, 4543
Economic value of, 841, 871

"Reno" of Canada, 4474

Rentals, of buildings, 3989, 4092-6

Reorganization. *See* Civil Service

Reparations. *See* Germany; League of Nations; War

Reports Tabled, 3, 39, 107, 150, 188, 229, 258, 350, 397, 562, 597, 643, 788, 836, 962, 1001, 1069, 1174, 1347, 1380, 1496, 1619, 2027, 2095, 2247, 2566, 2889, 3146, 3259, 3582, 3697, 3971, 4041, 4105, 4340, 4449, 4541

Representation. *See* Proportional Representation

Representation in Parliament, 1293
Amdt. (Mr. King) in Supply, neg. 1329

Research. *See also* Natural Resources; National Research Institute
Advisory Council, 150, 341, 1426, 2688
Scientific and Industrial Research Bureau, 169, 2144

Research Council Act Amdt. Bill
1r., 2566; 2r., 2688; com., 2701, 2892; 3r., 2897

Resignations. *See* House of Commons

Responsibility to Parliament. *See* Government

Restaurant. *See* Parliamentary Restaurant

Retail Merchants Association and Sales Tax, 3446

Retiring Allowances. *See* Judges Act Amdt. Bill

Returned Soldiers. *See also* Civil Service; Dominion Lands; Pensions; Re-establishment; Soldiers' Settlement; Unemployment
Canteen funds, 4050
Census commissioners, 2097
Civil Service and, 963, 2828-38-49-53-68-81, qu. 3259, qu. 3531
Preference in, 4482
Civil Service Act, Amdts. proposed by Pensions Com., 4257
Employment on Welland canal, 3001
Gratuity—estimate of cost by Mr. Thomas Cox, 3559
Handicap, problem and tuberculosis cases, 4050
Highways, employment on, 3033
Housing, 4362-8
Loan, 4552
Insurance, 4355, 4361
Insurance Act, 629. *See also* Pensions
Land for, 1344
Military training, 3279
Pensions, 4361. *See also* that title
Prospecting for minerals, 871
Re-establishment, 4361. *See also* that title
Relief for, 2688
Shipbuilding and, 1273, 1727, 1903, 1921, 1974. *See also* that title
Special Committee moved, 731, agreed to, 733
Mr. Sutherland substituted for Mr. Peck, 788
Quorum, 901
Statement by Prime Minister, 4361
Sympathy with, 1903-4
Unemployment, 4048, 4361. *See also* that title
Relief in Peterboro, qu. 4253

Returned Soldiers Insurance Act Amdt. Bill
Res. 4260; 1r., 4262; 2r., com., 4355; 3r., 4361
Sections and subjects discussed:
Annuity, 4356
Assignment of pension, 4355
Commencement of Act, 4357
Death of beneficiary during lifetime of insured, 4355

Returned Soldiers Insurance Act Amdt. Bill—*Con.*
Sections and Subjects discussed—*Con.*
Insurance and limits thereof, 4355
Mercantile Marine, officers and seamen, 4357
Old age and sickness insurance, 4357

Returns. *See* House of Commons

Reuter's and Imperial News Service, qu. 564

Revenue Bills
1. Customs and Excise Department Bill
Res. 3785; 1r., 3822; 2r., com., 4388; 3r., 4453
2. Customs Tariff Act, 1907, Amdt. Bill
Res. 3698; 1r., 3725; 2r., com., 3938; 3r., 3955
3. Income Tax Act Consolidation Bill. 1r., 4251; 2r., com., 4343; 3r., 4355
4. Inland Revenue Act Amdt. Bill
Res. 3726; 1r., 3733; 2r., com., 3r., 3955
5. Special War Revenue Act Amdt. Bill
Res. 3733, 3741; 1r., 3758; 2r., 3955; com., 3955-3958; 3r., 3958

Revising Officer. *See* Dominion Elections Act Amdt. Bill

Rhodes, Hon. Edgar N. *See* Speaker

Rice Jones, Mr. Cecil, Vice-President and General Manager, United Grain Growers, 289, 290, 333, 417, 3180, 3492

Richards, Mr. T. H., veterinary inspector, 1063

Riddell, Mr. Justice, payments to, qu. 1500

Right of Ministers to Sit in Either Chamber. *See* Ministers

Riley, Mr. R. T., 1609-10, 3610. *See also* Canadian National Railways

Rimouski
County Fairs, 1240
Customs office, qu. 839
Experimental station, 954

Rinfret, Mr. Fernand (St. James)
Address in reply to Governor General's Speech, 120; Prime Minister—right of Government to retain power, 120; formation of a new party to take place of Unionism—its misleading name, 121; the Prime Minister's Sherbrooke and Granby speeches, 122; by-elections; non-confidence amendment, 124; argument of Prime Minister analyzed; census and redistribution, 125; tariff; League of Nations; clamor for general election

Rinfret, Mr. Fernand—*Con.*
Budget, 3651. Dr. Tolmie and dry dock at Esquimalt, 3651; Prime Minister's discussion of the tariff, 3652; Tariff Commission and revision of tariff, 3653; St. James by-election, 3655; customs duties and rate of exchange; deficits and expenditures, 3656
Copyright Amdt. and Consolidation Bill, 3835-49
Dominion Iron and Steel Company contracts, qu. 733
Exchange, value for duty, qu. 733
Excise officers and sales tax, 3955
Foreign decorations to Canadians, qu, 1132
German goods, holdback, qu. 1350
Government candidates, 3336
Immigration, 2579-2602
Importations from Germany, qu. 696, qu. 838
Income tax collections
For 1919, qu. 3422
For 1920, qu. 2821
Insurance against sickness, 2554
Loans, tax exempt, qu. 575
Member making serious charge should retract, 1904
Montreal Inland Revenue offices, qu. 1820
Taxation, mutual insurance companies, qu. 605
National Research Institute, 2894
Naval Service, maintenance, 2107
"Niobe" and "Rainbow," sale, 4012-30
Pierreville postmistress, qu. 2624
Post offices in Canada, qu. 1233
Prime Ministers' Conference, 2677
Sales tax, 3955
Shipbuilding, 1898, 1908, 1926, 2094
Estimates, manner of bringing down, 1937
Holt, Sir Herbert, comment on, 1900
Unemployment, and immigration, 1367

Riordon Company. *See* Gilmour and Hughson

Riots. *See* Quebec Riots

Rivers and Streams Act. *See* Lake of the Woods

Roads, 3986. *See also* Bridges; Highways

Robb, Mr. James A. (Chateauguay-Huntingdon)
Agriculture, grasshopper plague, 1028, 1030
Business of the House
British practice as to, 1026
Canadian Government Merchant Marine
Preference to Canadian goods, 1280

Robb, Mr. James A.—*Con.*
Canadian National Railways
Transfer of rails to France, 4569
Canadian Wheat Board, 2116
Cattle embargo, 730
Cattle feeds, exemption of, 3746
Chief Justice, income tax and, 1565
Civil Service Act Amdt. Bill, 2778
Crushed grain, 3745
Customs and Excise Dept. Bill, brokers, 4432
Customs duties, increase in, 597
Dairy Produce Grading Bill, 3760
Estimates, supplementary, inquiry, 4070
Flax industry, 1404
Foodstuffs, tax on, 3736
Freight losses, 1658
Fruit inspectors, 1046
Grain trade, investigation of, 2116
Grand Trunk Arbitration Bill, 2563
Hungry Bay road, 1660
Immigration, 2582-94
Imported goods, marking of, 3714, 3723
Indian "Shows" for distinguished visitors, 2169
Interim Supply Bill, 2115
International Trade Conference, qu. 2029, 2151
Judges Act Amdt. Bill, 2118
Maple Products Act, 1920, Amdt. Bill, 2559
Montreal Harbour Commission Bill, 2160
Oleomargarine Act Amdt. Bill, 3759, 3850-96; Amdt. 3896
Politics—participation in by railway employees, 4502
Post Office Act Amdt. Bill, 2120
Province trading subject to taxation, 3705
Quebec Union Electric Telephone Company, 3421
Senate and House of Commons Act Amdt. Bill (Ministers and directorships) 656
Sheridan, Mr. John, resignation and reinstatement, 2173, 4502-5
Special War Revenue Act Amdt. Bill
Containers, tax on, 3754
Flour, 3755
Lumber, 3751-2, 3756
Trade agents, 1225
Trent canal, 2610-12
Unemployment and immigration, 1363
West Indies trade, 1271

Robertson, Hon. Senator G. D., 536. *See also* Labour, Minister of; Ministers

Roberval, air station, 3779

Robson, Judge, 3606. *See also* Board of Commerce

Robson, Mrs., and Immigration Department, 3058

Roche, Dr. *See* Civil Service Bill

Rockefeller Institute, 1433. *See also* Research

Rockefeller Interests and Mr. King. *See* Lapointe, Mr.

Rodrique, Mr. Didace, qu. 3208

Rondeau Harbour, 3975

Root Vegetables.. Res. withdrawn, 4343

Ross, Mr. D. C. (West Middlesex)
Budget, 3531. Reciprocity agreement great boon to Canada, 3532; attitude of various members on Budget, 3533; Minister of Militia and tariff reform; military expenditure, 3537
Customs—Strathroy office, 3085
Fuel supply problem, 1255
Harbours and rivers, estimates, 3980-1
Inspection of Gas and Gas Meters Bill, 618
Lake of the Woods Regulation Bill, 4187-91
Newfoundland steamship service, 1486
Parliament buildings, 3995
Railway Commission, members, 3019
Steamship passengers, 1495
Trade with Australia and South Africa, 1468
West Indies steamship service, 1490

Ross Rifle, 2783-7
Statement of Rev. Canon Scott, qu. 599

Rotation of Crops, 1033. *See* Agriculture

Roumania. *See also* Loans
Loan to, 478, 1441, 3444, 3811, 4430
Greece and, qu. 1236, 3563, 3611, 3620, 3661
Dominion Canners, purchases, qu. 1001, 1072
Interest on, 1072, qu. 2030, qu. 2344
Sale of military supplies to, 2245, 3564

Routhier, Late Judge, 1085-6

Rowell, Hon. N. W. (Durham)
Address in reply to Governor General's Speech, 110; League of Nations and Assembly at Geneva, 110; co-operation to prevent armed conflict; Covenant of League; public rights and wrongs in international affairs; war, or threat of war, concern of all nations, 111; purposes and functions of League; some phases of the work at Geneva, 112; constitutional questions;

Rowell, Hon. N. W.—*Con.*
Address—*Con.*
budget to be submitted annually; Council to report to Assembly; relations between Council and Assembly; Article XXIII, 113; vote to be not of a delegate but of the state he represents; proposed amendments to Covenant, 114; monopolies in and distribution of raw materials; admission of new states, Austria and Bulgaria, 116; questions of principle; case of Albania; minorities treaties, 117; Russian situation, 118; United States; attitude of representatives of self-governing minorities, 119; admission of Germany, 119
Canada-West Indies Trade Agreement, 2257
Canadian representation in the United States, 2394-2408
League of Nations, 110
Contribution towards, 2357
Letter of International Joint Commission, 691
Permanent Court of International Justice, 2722-24
Prime Ministers' Conference, 2647-67
Resignation of, 4340

Roy Building, Halifax, qu. 3089

Royal. *See* North American Insurance

Royal Assent, 486, 2160, 2899, 4578

Royal Bank of Canada
Canadian Government Merchant Marine and, 1719

Royal Canadian Mounted Police Act Amdt. Bill (Fines and forfeitures)
1r., 2343; 2r., com., 2481; 3r., 2486

Royal Canadian Mounted Police
Dominion police force, withdrawal from, qu. 601
Recruits from England, qu. 601
Strength, 2798-2800
Thorold, qu. 574

Royal Canadian Navy. *See* Naval Service

Royal Commissioners. *See* Judges Act Amdt. Bill

Royal Mail Steam Packet Company, 1712, 1714, 1870. *See also* Canadian Government Merchant Marine

Royal Military College, 2802
Road, 3973

Royalty. *See* Copyright

Ruddick, Mr. J. A., 1036

Rule 17C. *See* House of Commons, Estimates

Rulings. *See* Deputy Speaker; Speaker

Rural Homes. *See* Housing

Rural Mail. *See also* Post Office
Boxes, number of, qu. 1235
Carriers, qu. 964
Contractors, 3507
Delivery, 1156
Routes, qu. 605
Rural postmasters, 2829-33-41-84. *See also* Civil Service; Post Office

Russia
Currency, 1072
Flax. *See* that title
Trade with, 1003, 1072, 1224

Ruttan, Dr. *See* Research

St. Alexis, station, qu. 2375, qu. 3582

Ste Anne de la Pocatiere
Destruction of library at, 1075
Illustration station, 948

St. Antoine, Montreal, representation of, qu. 577, 1069, 1070, 1293, 1295. *See also* Ames

St. Antoine, wharf, 2616

St. Augustin station, qu. 695, 3018

St. Catherine's Bay-Tadoussac service, 4530

St. Charles de Bellechasse, 1801

St. Charles River dam, 282

St. Croix wharf, 2616

St. Foy
Artesian well, 1659
Engine house, 767, 840, 967, qu. 1501, 1502, 1659. *See also* Canadian National Railways

St. Francis Harbour, 3990

St. Francis River, 1992, 1995

St. Francois du Lac
Electoral list, 3468
Lemieux, Mr., Speech at, 3528

St. Hyacinthe
Inland Revenue collector, Dr. A. P. Cartier, 3821, qu. 3904
Shops, qu. 2821

St. Jean post office receipts, qu. 576

St. Joachim-St. Simeon highway, 3026

St. John (City)
Belyea, Mr., retirement of, 3082
Representation, 3171-2
Vacancy, 1293

St. John (Harbour and Port) 4097
Facilities for potato shipments, 3443
Harbour, 4097
Improvements, qu. 1383, 4078
Partridge Island quarantine station, 2808

St. John and Quebec Railway, qu. 1501, 4564

St. John and Quebec Railway Bill (Extension of time)
1r., 2030, 2097; 2r., com., 2152; 3r., 2157

St. John Rolling Mills. *See* "Niobe" and "Rainbow"

St. Lawrence, Gulf of
Fishing in, 1038

St. Lawrence Navigation Company, 1981

St. Lawrence River. *See also* Canals; Great Lakes-St. Lawrence
Coal trade, 1494
Conservation Commission, 3960-8-70
Diversion of water, 186
Dredges and tugs, qu. 568. *See also* Dredges
Power development, 1252, 1263
Route and Channel
Deepening, qu. 2028
Development, 674, 691, 1252-63
Dredging, qu. 568, 1991, 4541
Navigation for coal vessels, 1260, 1854. *See also* Fuel Supply; Great Lakes-St. Lawrence
Sorel shipyards, qu. 568, 1992, qu. 2618

St. Malo shops, 1017

St. Michel wharf, res. 967, 3991

St. Pascal, domestic science school, 1075

St. Roch, Upper Crossing light, qu. 1383

St. Romuald post office building, qu. 577, 604

Ste. Rose de Watford, mail contract, qu. 3209

St. Simon station agent, qu. 3208

St. Thomas de Pierreville, postmistress. *See* Pierreville

St. Valier wharf, qu. 965

St. Vincent de Paul. *See* Penitentiaries

Sackville public building, 2816

Saguenay river, crossing of, 1822

Sailors, Sick, care of, 3129. *See also* Health

Sales Tax. *See* Special War Revenue; Taxation

Salmon. *See* Fisheries; Privy Council

San Jose scale, 1028

Sandy Beach wharf, qu. 965

Saskatchewan
Clay deposits for pottery, 3384-5
Co-operative Creameries, Limited, 1040
Co-operative Elevator Company, 391
Fish-breeding, 2185
Grasshopper plague, 1027
Highways, qu. 1820, 4307
Penitentiary. *See* Penitentiaries
Pure-bred animals in, qu. 1236
Representation in Senate, 2567

Saskatoon, Canadian National engines, qu. 3090, 3903

Saturday Night, comment on shipbuilding, 1968

Savard, Mr. Edmond (Chicoutimi-Saguenay)
Address in reply to Governor General's Speech, 554; speech a "meagre dish"; non-confidence amendment justified; Government has lost confidence of country; by-elections—Government's mandate exhausted; precedents, 555; Liberal leaders record; Borden Government, 556
Chicoutimi
Customs collector, qu. 698
Pier, qu. 967
Murray Bay-Tadoussac steamship service, 1824
Rimouski customs office, qu. 839
Shipbuilding, 1969

"Scandinavian," smallpox on, 1498, 1556

Scientific Institutions, 4494

Scientific Research. *See* Research

Scott, Mr. F. S. (South Waterloo)
Address in reply to Governor General's Speech, 324; congratulations to Prime Minister; speech of Mr. Crerar; railway situation, economy in administration; financial situation in Ontario; Government's mandate; general elec-

Scott, Mr. F. S.—*Con.*
Address—*Con.*
tion, 325; business men opposed to dissolution; the amendment; confidence of the country; defections from Government; dissolution should be decided by Government not by leader of Opposition; Opposition and Agrarian party; Mr. Gauthier and province of Quebec, 327; Mr. Clark (Red Deer) and Liberal party, 328

Scott, Mr. W. D., and Immigration Dept., 3058

Scott Act, petition for suspension, 3584, 4382. *See also* Canada Temperance Act

Scottish Canadian Trust Company. *See* North American Trust

Screenings, 3182. *See* Elevators; Grain

Scrub Cattle. *See* Live Stock

Seamen, Sick, care of, 3129. *See also* Health

Search Warrants. *See* Bankruptcy Act Amdt. Bill

Searls, Mr. George, Chief Grain Inspector, 1444

Secretary of State. *See also* External Affairs
Enemy debts, demobilization, 4534
Estimates, 4557

Sedition
Esmonde, Mr. Osmonde Grattan, arrest for, 1556

Seed and Feed Control, 1125, 4513

Seed Fairs, 1126

Seed Grain
Advances, 4498
Inspectors, qu. 1624
Purchase, 4506

Seed Purchasing Commission, 1126

Seguin, Mr. P. A. (L'Assomption-Montcalm)
Budget, 3668. Administration of public business, 3668; tariff commission; tobacco-growing, 3668-9
Income tax—instructions in French, qu. 2624
L'Assomption
Experimental station, 918, 946
Pierreville postmistress, qu. 2624
Point of order—attack on members, 1904
Religious holidays, qu. 1499
Shipbuilding, 1916

Select Standing Committees. *See* House of Commons

Selkirk wharf, 3976

Senate
Age limit, 1171
Committee, leave for Mr. Crerar to attend, 3259
Free Conference—Judges Act Amdt. Bill, 3972, 4040, 4061, report 4250
Government representation in. *See* Ministers
Governor General—Address to on retirement, 4493
Macdonald, Hon. Senator, appointment, qu. 577
Members of to have seats in Commons. *See* Ministers
Members should be elected, 1163
Ministers in. *See* Labour; Postmaster General
Paintings in, qu. 566
Printing of Senate Bills, 3938
Reform, 389. *See also* Ministers
Representation of Saskatchewan, 2567

Senate and House of Commons Act Amdt. Bill (Ministers and directorships)
1r., 258; M. for 2r., 585, 650, neg. 665

Serbia
Consul at Montreal, qu. 605

Serbian Government, Dr. Burnham and M. (Mr. Lemieux) for papers, 1520

Sessional Employees. *See* Civil Service Retirement Act Amdt. Bill

Settlers' Relief, 4498

Sex Offences. *See* Criminal Code Amdt. Bill

Sexsmith, Mr. J. A. (East Peterborough)
Civil Service Act Amdt. Bill, 4283
Dairy Produce Grading Bill, 4442
Highways, 3031
Metal, 4307-8
Illustration farms and stations in Ontario, 954, 956
Proportional representation, M., 1528
Toronto-Kingston highway, 4306
Trent canal, 2959, 2971-3

Shaughnessy, Lord, 1195, 1896, 3046, 3572
Letter on railway situation, 2503, 2890

Shaw, Mr. H. M. (Macleod)
Address in reply to Governor General's Speech, 383; investigation of grain trade; winter grazing in forest reserves; letter from Mr. George Porter, Maycroft, Alberta; the Government's mandate, 384

Shaw, Mr. H. M.—*Con.*
Blood Indian reserve, qu. 1818, 1819
Canadian Wheat Board, qu. 340
Macleod judicial district, qu. 2344

Sheard, Mr. Charles (South Toronto)
Address in reply to Governor General's Speech, 253; Mr. Gauthier; Imperial Conference; Lord Beaconsfield; Imperial Council, 254; isolation of Quebec; pledges of 1917; no discontent regarding Government; urban and rural representation, 255; the tariff issue; seceding Liberal Unionists; Mr. Pardee; railway policy; Agrarians and free trade, 256; by-elections; union and harmony; Opposition policy, 257

Shediac and Cape Tormentine Railway, 4564

Shell Contracts, 1788

Sherbrooke, Prime Minister's speech at, 3339

Sheridan, Mr. John, Indian Agent
Resignation and reinstatement, 1499, 2173, qu. 2618, 4501-5

Sherwin-Williams Paint Company, profits, 372, 1897, 3484, 3565

Shipbuilding. *See also* Canadian Government Merchant Marine; Labour; Unemployment
Advances at Victoria, qu. 599
Amount required for, 1683, 1858
Assistance to, qu. 603
Auditing, 1933
British Government policy, 1865
Closure, 1979-2094. *See also* that title
Continuation of after the war, 506
Contracts, 1683, 1689
Cancellation, 1726
Cost plus basis, 1910
For steel ships, qu. 565
Details of construction, 1874
Dominion Iron and Steel Company, qu. 733, 1233
Freights, lack of, 1284
Government programme, estimate, 2076
Government shipyard at Sorel, qu. 568, 1992, qu. 2028
Interest on cost, 1886
Labour for, 1889. *See also* Labour
Newspaper comment, 1893, 1900, 1917, 1925, 1934, 1968
Returned soldiers and, 1727, 1909
Royal Bank, remarks of President of, 1900
Sinking fund, 1885
Steel and, 1876, 1884
Tonnage depreciation in value of, 1734
Trade routes, 1888

Shipbuilding—*Con.*
Unemployment, 1882, 1897, 1902, 1909. *See also* that title
Victoria, qu. 599
Wooden ships, 1711

Shipping. *See* Canadian Government Merchant Marine; Canals; Great Lakes; Shipbuilding
British Chamber of, 1716
Flag, recognition in foreign waters, 786
Great Britain and, 3236
Inland, 745, 1497, 2192
Rates, 2963-9
Ocean, decline in, 1273
Special Committee. *See* Canadian National Railways
Tonnage into Canadian ports, 3650
United States discrimination in tonnage dues, qu. 697

Ships
Deadweight value per ton, 1702
Private control of, 1717
Publicly-owned, disposal of, 1718
Repairing at Quebec, 1986
Steel plates for, 1233

Shipyards. *See also* Shipbuilding; Sorel
Construction at, 1927
Government loans to, 1883
Vickers, 1967

Shortt, Professor Adam, 799, 2948. *See also* Civil Service

Sick and Distressed Mariners, 3129, 4039

Sickness, Insurance against, 4357
M. (Mr. Rinfret) withdrawn, 2554

Sifton, Late Right Hon. Arthur, tributes to, 3, 153

Sifton, Sir Clifford, and immigration, 3245

Silver, discovery at Kino Hill, Yukon, 856

Simpson, Mr. T. W. (West Algoma)
Natural resources, 872
Pulpwood, 3744

Sinclair, Mr. J. E. (Queen's, P.E.I.)
"Brant," steamer, 1982
Budget, 3470. Liberal party's record when in power; comparative tables of imports, 3471; average customs duty on imports, 3472; tariff issue; Prince Edward Island, potato growing, 3473; high freight rates, 3474; York-Sunbury election; record of Government during war, 3475
Cold storage plants, 1041

Sinclair, Mr. J. E.—*Con.*
Co-operative marketing of live stock, 1124
Dairy Products Grading Bill, 4439-48
Dominion Lands Act Amdt. Bill, 4066
Dredging, Hillsboro river, 3984
Government shipbuilding programme, 2076
Health of Animals, 4506
Highway construction in Ontario, 4306
Migratory Birds Act, enforcement, 4496
Post Office, Maritime provinces reorganization, 4528
Prince Edward Island Railway, 4566
Soldiers Settlement Board, Maritime provinces, 4532
World's Poultry Congress, 4513

Sinclair, Mr. John H. (Antigonish and Guysborough)
Address in reply to Governor General's Speech, 358; congratulations to Prime Minister; duty of Opposition to criticise; National Liberal and Conservative party; same old party; "strange bedfellows"; Cabinet changes; retrenchment, 359; practical suggestions; nation builders and nation wreckers, 360; Dominion Franchise Act; withdrawals from Government, 361; tariff of special interests, revenue, protection; Mr. Calder's change of heart, 363; Liberals and Farmers; hazards of the farmers' calling; prices of farm produce, 365; price-fixing; forces of progress must unite; big interests behind Government, 366; amendment a challenge to Government, 367
Air Board, 3785
Alcohol for medicinal purposes, 3957-58
Amherst drill hall, 2739
Auditor General's report, 597, 913
Blue books, printing of, 1485
Camp Borden, aeroplanes, qu. 1820
Canada-West Indies Trade Agreement, 2259-62
Canadian Government Merchant Marine, 1729, qu. 3089
Information, 1440
Trade routes, 1733
Vessels
"Canadian Beaver," qu. 1673
"Canadian Otter," qu. 1382
"Canadian Recruit," etc., qu. 1381
"Canadian Sapper," 734
Canadian National Railways
Coal purchased, 1763
Freight, Nova Scotia points, qu. 1620
Monastery station, 4324
Mulgrave, ice supply, qu. 963

Sinclair, Mr. John H.—*Con.*
Canso
Harbour, 3983-9
Navigation school, 1989
Civil Service
Bonus, 2109-10
Payments to Arthur Young and Griffenhagen, qu. 4251
Civil Service Retirement Act Amdt. Bill, 2487-2503, 4270-77
Coal trade, 1936
Commercial exhibits, 1227
Copyright Amendment and Consolidation Bill, 3840
Corning, Mr. H., cattle purchases, qu. 1624
Currency Act Amdt. Bill, 2269
Customs and Excise Dept. Bill
Valuation of currency, 3812
Customs and Inland Revenue, overtime, 4123
Customs Tariff Act, 1907, Amdt. Bill
Imported goods—marking, 3712, 3941-54, 3954
Debates, Official report, distribution of, 4560
Dominion and provincial jurisdiction over fisheries, 2105
Dominion Elections Act Amdt. Bill
Polls, hours of, 3095
Qualified voters, 3096
Dominion Lands Act Amdt. Bill, 4065
Dominion notes
Circulation, qu. 1001
Securities, qu. 1383
Dominion securities—grain, 1443
Dredging, 3983
Drydocks, 3987
Editorial Committee, 4560
Estimates on Thursdays and Fridays, Rule 17C, 958, 1026
Export trade, development, 1732
Fish—breeding establishments, 4036
French Trade Agreement, 2135-40
Fumigation of nursery plants, 1031
Grand Trunk Arbitration Bill, 2452-69
Grand Trunk loan, 4162-5, 4317
Grand Trunk Railway, lines in United States, 4326
Half Island Cove, breakwater, 3981
Halifax fishery award, qu. 2191
Harbours and Rivers, estimates, 3976-82
Hoarded liquor, tax on, 3706
Horse breeding, 1120
Intercolonial branch railway in Guysborough county, 4567
Interior Department, editors, 1331
Job printers, taxation, 4123
Judges Act Amdt. Bill, 2118

Sinclair, Mr. John H.—*Con.*
League of Nations, Canada's contribution, 2357
Marine hospitals, 3130-36
Maritime Provinces, improved transportation facilities, 4567
Mercantile Marine, insurance of officers and seamen, 4359
Migratory Birds Act, enforcement, 4497
Military expenditure, 3278
Militia—surveys division, 2243
Montreal Harbour Commission, 2268
Moving picture films, 1226
Mulgrave, ice tenders, qu. 963
Murray, Mr. G. M., qu. 2622
Natural resources and western provinces, 1338
"Niobe" and "Rainbow", sale, 4012-14
Oleomargarine Act Amdt. Bill, 3851-94
Parliament buildings, 3994-8
Partridge Island quarantine station, 2808
Pension Act Amdt. Bill, 4366
Pensions, refusal to soldier disabled by accident, 4366
Permanent Court of International Justice, 2717-21
Pilots, pensions to, 2000
Port Hilford, dredging, 3983
Post Office Act Amdt. Bill, 2124
Post Office
Expenditure, 4521
Reorganization in Maritime Provinces, 4521
Rural mail, carriers, 4523
Public Works engineering branch, 4082-90
Purchasing Commission
Staff of, 1113
Statutory authority to appoint, 1113
Quebec riots, 1516
Returned Soldiers Insurance Act Amdt. Bill, 4359-60
Returns, inquiries for, 1176
Russia, trade with, 1003
St. Francis harbour, 3990
St. John and Quebec Railway Bill, 2152-4
St. Lawrence channel, dredging, 1992
Senate and House of Commons Act Amdt. Bill (Ministers and directorships) 591
Sheridan, Mr. John, resignation and reinstatement, 4504
Shipbuilding, 1858, 1869, 1920, 2085
Contracts, 1683, 1872
Excessive tonnage, 1873
Newspaper comment, 1932
Progress of debate on, 1727
Ships under construction, 1927
Sick mariners, 3130-36
Special War Revenue Act Amdt. Bill
Hospital supplies and medicines, 3957

Sinclair, Mr. John H.—*Con.*
Steamship services, 1493, 1489, 1495
Sugar, importation of, 3702
Swan, Mr. D. D., consulting engineer, 1997
Toronto Customs building, 3772
Trade with Russia, 1003
Trent canal, 2609-13
United States discriminatory tonnage dues, qu. 697
Vessels commandeered, qu. 2943
Victory bonds, expenses, qu. 1620
Whitehead life-saving station, 1991
Wrecking plants, 1990
Wrecks, removal of, 1990

Sioux Lookout, 4191

Six Months' By-Elections. *See* Representation in Parliament

Six Months' Hoist. *See* House of Commons, Divisions

Smallpox on "Scandinavian", 1498, 1556

Smith, Mr. Alexander. *See* Dominion Elections Act Amdt. Bill

Smith, Mr. Sydney. *See* Post Office Dept.

Smith, Mr. William (South Ontario)
Cattle embargo, res. 702
Eggs, importation from China, qu. 568
Oleomargarine Act Amdt. Bill, 3893

Smuggling
Aerial preventive service, 3778

Snider, Judge. *See* Printing Bureau, Destruction of Documents

Société des Artisans Canadiens Francais, 82

Soldiers. *See also* Returned Soldiers
Pensions, Insurance and Re-establishment, 315
Polish battalion for service in French army, 4051
Settlement on land, 529
Special Committee, final report, 4041

Soldiers Civil Re-establishment
Department of, report, 836
Disabled unemployed, 4364
Estimates, 4532
Loyola College building, Montreal, qu. 569
Operating expenses and working capital, 4532

Soldier Settlement Board, 314, 529, 538, 3554, 4532
Advisory and Qualification Board at Prince Albert, qu. 673
Estimates, 4532
Graham, Mr. A. M., qu. 2618

Soldier Settlement Board—*Con.*
Maritime Provinces, 4532
Operation of, 529
Tobin, Mr. W. J., and, ques. 1133

Solicitor General. *See* Ministers

Sorel Dockyard, qu. 568, 1992, qu. 2028
Shipyards, qu. 568
Superintendent, qu. 2618

Soudan War, 1882

Soulanges Canal. *See* Canals

South Africa
Steamship service, 1491
Trade with, 1468

South African War, 1527
Pensions, 2278

South Gabriola Wharf, 3981

Soviet. *See* Russia

Speaker, Hon. Edgar N. Rhodes. *See also* Deputy Speaker, House of Commons
Rulings and Statements of
Address, debate on,
Tariff not excluded from discussion, 58
Adjournments
For purpose of discussing matter of urgent, etc.; question may be discussed on motion for Supply, 4106
Amendments
Must amend, not merely negative, 561
Put subject to consideration, 376
Ames, Sir Herbert
Resignation of, 469, 1001
Member (Hon. Mr. King) may go into matter on motion for Supply, 1070
Bills
Additions to, proposed, 4259
Com., referred to after second reading, 2776
Details properly discussed in Com., 624
Preceded by resolution
Notice not necessary, 2942
Trade Bills should be, 2150
Press interview not germane to principle of, 2870
Printing of Senate Bills, 3938
Private
Notice not required, 3971
Reference back by Com. of Whole, 1094
Suspension of Rules for, 3716
Second reading, order must be proceeded with or stand, 650

Speaker, Hon. Edgar N. Rhodes—*Con.*
Rulings and Statements of—*Con.*
Bills—*Con.*
Senate, motion for first reading not debatable but rule relaxed for Prime Minister and leaders, 151
Senate amendments, correction of error, 4068
To be disposed of by consent without discussion, 2890
1r.,
Senate Bills, unusual to explain, 151, 1619-20
3r.,
Debate on, 3343
Chair
Good taste, 3174
Ruling—exception to must be taken in constitutional manner, 3174
Should be permitted to exercise jurisdiction, 1308
Com.,
Standing, competent to consult Law Clerk, 598
"To-morrow" means next Government day, 563
Debate
Adherence to rules, 649, 2333
Closed by mover, 900, 2447, 2518, 3968
Questions not to be asked as in Com., 2450
Restriction of, 969, 2067
Debates, Official Report of
Insertion of documents
After reading, 1539
Not read, 2067
Unanimous consent necessary, 1009
Decorum, 3174
Conversation in Chamber and galleries, 2053
Debate cannot be conducted from seats, 287
Debate, in, 286
Good taste, 3173-4
Governor General
Acknowledgment of Address, 3830
Address to on retirement, 4493
Imaginary letters, 3173, 3260
Minister of Crown and, 3174
Substitution of names, 3174
Interruptions, 3228
Language
"Coward", 287
"Deliberately false and untrue", 2444
"Flagrant insult", 287
"Mean appellation", 463
Unparliamentary, 1516
Members
Asking question may not make statement, 77, 987, 1308, 2865

Speaker, Hon. Edgar N. Rhodes—*Con.*
Rulings and Statements of—*Con.*
Members—*Con.*
Comment on speech in other House not in order, 536
Debating, should be mindful of rule, 1758
Discussing principle of Bill on second reading restricted to one speech, 649
Having already spoken no right to speak again, 1307
How to be referred to, 69, 444
Leeds (Sir Thomas White) 69, 469
Limited to one speech on motion, 1177
May not reflect on judiciary, 812
Must be seated when Speaker rises, 3228
Not to be put on trial in House, 2443
One may give his own interpretation to remarks of another, 1197
Promises made by subject to rules of order, 4204
Reading from documents or newspapers when asking question, 736, 972
Reading speech, 544
Resignations, 1619. *See also* House of Commons
Ames, Sir Herbert, 469
Right to reply, 1245
Right to reply to reflection implied in question, 1172
Right to speak exhausted, 985, 1812, 2780, 3859, 4113, 4116
Should confine remarks to question before House, 816
Sitting, may ask question but may not make remarks, 127, 2225, 2867
Speaking, may not interrogate members sitting, 126, 2333
Speaking when no motion before House, 4203-4
To speak only once on motion, 2889
Speaking, has floor, 1794
Statement of must be accepted by House, 1197, 1641
Motions
Adjournment
Competency to withdraw, 1173
Adopted as amended, 1846
Amendment must amend not merely negative, 561
Committee
Not in order to discuss general railway problems, 1782
Error in, 1810
Involving expenditure
Housing, 1135
Hudson Bay railway, 985
Not in proper form, 4052

Speaker, Hon. Edgar N. Rhodes—*Con.*
Rulings and Statements of—*Con.*
Motions—*Con.*
Notice not given—unanimous consent necessary, 732, 1439, 2027, 2776, 2940, 4250
Notice not required with respect to Private Bills, 3971
Practically identical, 974
Strict application of rule would leave only portion debatable, 1758
To adjourn for purpose of discussing matter of urgent, etc., 4106
Withdrawal by unanimous consent, 2554
Non-debatable subjects
Evidence before Committee not reported to House, 2381
Subjects already debated, 2824
Orders of the Day
Debate limited, 110, 1271, 1439, 2250, 2377, 3972
Alleged incomplete return may not be discussed in detail, 2250
Appropriateness of matter, 2626, 2776
Argument improper, 1070
Argument under guise of question, 901
House reverting to certain motions, 1851
Latitude allowed, 1070, 4254
Local questions, 110, 1271
Member not to be put on trial in House, 2443
No cross-examination of Ministers, 1004, 1441, 3321
Optional with Government to give information, 478
Questions reflecting on Government's policy, 1441
Questions unanswered, attention directed to, 1621
Summarizing newspaper articles, 1441
Pairs, correction of list, 563
Parliament buildings, inscription on tower, 4544
Petitions, manner of presenting, 562
Previous debate, 2824
Privilege. *See also* this title under House of Commons
Matter not affecting member personally, 2443
Questions
Answer of Government to be accepted, 1004
Deferred until Com. of Whole, 1024
Reflecting on Parliament, improper, 736, 1441

Speaker, Hon. Edgar N. Rhodes—*Con.*
Rulings and Statements of—*Con.*
Questions—*Con.*
Supplementary answer to, 1755
Unanswered, member should direct attention to on Orders of the Day, 1621
Reference by way of illustration and not reflection, 3261
Relevancy, 1172, 1193, 1196
Civil Service Act Amdt. Bill, 2865
Resolution
Amended by avoiding mention of money, 1136
Latitude of discussion, 1135
Money, 1135
Propriety of form, 1146
Rules of the House
Discussion, widest possible measure of, 1135
17C, Thursdays and Fridays. *See* House of Commons, Estimates
Senate
Committee
Leave for Mr. Crerar to attend, 3207
Debates, reference to, 3968
Free Conference on Judges Act Amdt. Bill, 4040
Members of, reference in terms of disrespect, 536
Supply
Amendments to
Discussion confined, 2067
Irrelevancy, 1193
Questions of detail should be withheld for, 1280
Rule 17C—Thursdays and Fridays, 1004. *See also* House of Commons, Estimates
Unanimous consent, 1009, 1233, 3715, 4433, 4453. *See also* under this title, Debates, Official Report
Canada Temperance Act, 3902
Minister making statement while Speaker in Chair, 1024
Votes and Proceedings, correction of, 737
Warrant for election writ—Durham and Maple Creek, 4340

Speaker's Chair, presentation of, 3689, 3691
Addresses to be printed in Official Report of Debates, 3696
Expression of thanks to Empire Parliamentary Association, 3696
Presentation of, notice, 3688
Speeches, 3689

Speech from the Throne debated. *See* Address

Special War Revenue Act Amdt. Bill
Res. 3733, 3741; 1r., 3758; 2r., 3955; com., 3955-3958; 3r., 3958
Subjects and Sections discussed:
Amendments, 3742
Binder twine fibre, 3746, 3756. *See also* that title
Boxed goods, 3735
Condensed milk and ice cream, 3737, 3956
Containers, 3737, 3754, 3956
Excise taxes, 3955
Fishing boats, 3745
Foodstuffs, 3589, 3734
Lumber, tax on, 3734, 3736, 3742-3, 3756-57
Missals and prayer-books, 3756
Mixed grains for feed, 3745
Oatmeal and rolled oats, 3735-6
Oleomargarine, materials for, 3745-6
Package goods, 3735
Sales tax, 3120, 3170, 3399, 3996, 3735, 3752, 3957. *See also* Taxation
Opposition to change, 3752
Sparkling wines, 3734

Speedways. *See* Highways

Spinney, Hon. E. K. (Yarmouth and Clare)
Civil Service Act Amdt. Bill, 2685, 2778, 4278-80
Annual report, Amdt. 4482
Special Com., report, 3901
Civil Service Retirement Act Amdt. Bill, 4271

Spirits, Tax on, 3120, 3506, 3576, 3705, 3726. *See also* Alcohol; Customs Tariff; Customs and Excise; Liquor

Spirituous and Alcoholic Liquors, 3705-8

Sprays. *See* Insects

Spruce Bud Worm, 1031

Stacey, Mr. F. B. (Fraser Valley)
Address in reply to Governor General's Speech, 140; examination of reasons advanced in support of amendment; pre-election pledges of Government fulfilled or in process of fulfilment; no charge of maladministration, 141; Government policy in interest of country; unification of Canadian people, 142; class consciousness; by-elections in British Columbia; the Agrarians, 143; no demand for a change, 144
British Columbia, fishing regulations, 2180

Stacey, Mr. F. B.—*Con.*
Civil Service Retirement Act Amdt. Bill, 4268
Ministers to sit in either Chamber, 1163

Standardization. *See* Agricultural machinery

Standing Orders Committee, first report, 3005

Staples, Mr. W. D., and Grain Inquiry, 1674, qu. 3260

Statistical Department, 1231, 1672

Statistics Act Amdt. Bill, 1r., 3007, 2r., com., 3r., 3758

Statutes, destruction of plates, qu. 603

Statutory Officials. *See* Purchasing Commission

Stayner, postmaster, 4470

Steamers. *See* Vessels

Steamship Services
Australia-New Zealand, 1493
Baie des Chaleurs, qu. 734, qu. 2506
Baie St. Paul-Tadoussac, qu. 734
Halifax-Newfoundland, 1485, 1686
Halifax-St. John-Newfoundland, 1712
Magdalen Islands, 557, 767
Mulgrave-Canso, 1496
Murray Bay-Tadoussac, 1528, 1822, 1825, 1930
Newfoundland, 1485, 1686, 1712
Pacific, 1493
Pictou-Georgetown, 1496
Prince Edward Island, 558
South Africa, 1491
Supervision, 1496
West Indies, 1275, 1488, 1712, 1714, 2253-62

Steamships. *See also* Vessels
Government control of, qu. 2530
Subsidies, 1735

Steel
Nova Scotia, 3295
Plates for ships, 1283, 1884
Shipbuilding contracts, 1876. *See also* that title

Steel and Iron Industry, 3526

Steel Company of Canada, Limited, 1611

Steele, Mr. Michael (South Perth)
Cattle embargo, debate adjourned, 731
Sub-amendment, 757
Civil Service Retirement Act Amdt. Bill, 2497
De Martigny divorce, 3769
Dominion Elections Act Amdt. Bill (Prohibition plebiscite) 306

Steele, Mr. Michael—*Con.*
Fuel Supply Problem, Res. 1247
Special Committee, evidence to be printed, 2027, 4251
Highways in Ontario, 3034
Immigration
Immigrants rejected, qu. 1624
Typhus fever, precautions, 643
Point of Order, letter reflecting on Minister, 2176
Proportional representation, 1550
Strikes, number of, qu. 569
Rulings and statements as Acting Speaker and Chairman
(as Acting Speaker)
Member not precluded from quoting from same debate, 3627
Member must accept statement of another, 3628
(as Chairman)
Conversation, 4307
Debates, Official report of
Insertion of documents not read, 4309
Discussion not relevant to item, 1665
Interim Supply
Schedule customary, 2015
Language
"Misleading the House", 1457
Relevancy, 1451, 1452, 1456, 1665, 3766, 3808, 3821, 4090, 4123-4, 4306, 4312
Letter from Gillies Bros., Ltd., 4418
Supply motion to strike out item not in order, 2018, 4513

Stefansson, Mr. Vilhjalmar, 871
Northern lands, possibilities of, 841. *See also* Reindeer and Musk Ox; Natural Resources

Stein, Mr. Adolphe (Kamouraska)
Address in reply to Governor General's Speech, 550; charges of maladministration; war contract scandals; Purchasing Commission; feeling in province of Quebec; French Canadians not represented at Peace Conference; Assembly of League of Nations; other instances of discrimination; election proclamation in French, 553; election, 554
Agricultural publications, 1075
Bankruptcy Act Amdt. Bill, 2914-16
Bankruptcy Act Judges, 1084
County fairs, assistance to, 1123
De Martigny divorce, 3715, 3761, 3769, 4004-10, 4107
Illustration station at Ste. Anne de la Pocatière, 948
Judges, local, in criminal cases, 1085

Stevens, Mr. H. H. (Vancouver Centre)
Address in reply to Governor General's Speech, 212; the amendment; argument of the Opposition; Liberals and Agrarians, 213; Leader of Opposition's incentive is accession to power; redistribution before election; increased representation for West; freight rates, relative representation of urban and rural districts, 214; no general demand for an election; War Veterans, Mr. Harry Flynn; Peterborough by-election; Yale, Colchester, St. John, East Elgin; War Time Elections Act, 217; the tariff—Opposition dare not make it an issue; National Liberal Convention, 1919, 218; statement of leader of Opposition at Kingston; tariff a matter of vital interest; Opposition resolutions of 1919 and 1920, 221; Government will welcome campaign on fiscal policy; coalition between Liberals and Agrarians; leader of Opposition lacks sincerity in proposing amendment, 222
Average duty during Liberal regime, 3471
Budget, 3619; speech of Mr. King, comment on; Canadian National Railways, administration, 3620; loans to Roumania and Greece; members of Parliament and sale of goods to foreign countries, 3621; comparison of this year's expenditure and expenditure under Liberal administration, 3621; position of leader of Opposition on tariff, 3622; American tariff a factor in tariff revision, 3623; tariff for revenue only, 3625; Mr. Fielding and protection, 3626; Mr. Crerar and York-Sunbury election, 3627; Hansard, changes in Mr. Crerar's speech as delivered, 2627-8; tariff question, boot and shoe industry, 3631; agricultural implements, 3631; United Grain Growers and lumber combine, 3633; grain overages, 3634; taxation, 3634; land tax, 3634-35; Canadian representative at Washington, 3635
Canada Temperance Act, qu. 736
Canadian Government Merchant Marine, 1721
Dominion Iron and Steel Company, 1723
Canadian manufacturers and export trade, 1222
Canadian National Railways
Special Com. (Mr. Meighen) M., 1805
Chinese Immigration Act Amdt. Bill, 3828
Customs, Minister of, 3081
Private business of, 3078

Stevens, Mr. H. H.—*Con.*
De Martigny divorce, 3770, 4203
Government shipbuilding programme, 2088
Harbours and rivers, estimates, 3978-9
Immigration, 2595
Deputy Minister, 3056
Imperial Mineral Resources Bureau, 2166
Inspection of Gas and Gas Meters Bill, 619
Interim Supply, Purchasing Commission, 2021
Lake of the Woods Regulation Bill, 4195
Opium and Narcotic Drug Act Amdt. Bill Amdt. (Penalty—whipping) 2901
Oriental immigration, 2594
Railway Act Amdt. Bill (Discrimination in rates) 1232
Senate and House of Commons Act Amdt. Bill (Ministers and directorships) 596, 650
Wednesday evening sittings, 1829
Wheat Board, qu. 489

Stewart, Mr. J. A. (Lanark)
Alcohol, tax on, 3729, 3730
Civil Service Retirement Act Amdt. Bill, 4268-73
Customs and Excise Dept. Bill
Commercial agents, payments to, 4405
Dumping clause, 4413
Ports of entry, 4414
Trade extension, 4405
Valuation for duty, 4414
De Martigny divorce, 3765

Stewart, Mr. R. A., qu. 2343

Stewart, Mr. T. J. (West Hamilton)
Criminal Code Amdt. Bill (Automobile theft) 3916
Highways, 3028
Construction, 3036

Stikine and Dease Rivers, qu. 1133

Stock Feed. *See also* Feeds; Live Stock

Stockyards, 1124. *See* Live Stock

Strathroy
Customs, 3085
Destruction of pasture lands, 1030

Streams Bill. *See* Lake of the Woods
Strikes. *See* Labour

Submarines. *See* Shipbuilding

Sugar, 3699
Beet industry, encouragement to farmers, 301, 3426, 3456
Canada-West Indies trade, 2255-7, 3699
Customs tariff on, 3698, 3725, 3938, 3955

Sugar—*Con.*
German bounty on, 4432
Imports, 3703
Industry, 3513
Refiners, prices, 3245
Season, vessels for, 1489
West Indies, from, 2255, 3699

Sully, Quebec, station, 1822

Summary Cases, Fees, 3006. *See* Criminal Code Amdt.

Superannuation. *See* Civil Service, Superannuation; Civil Service Retirement Act Amdt. Bill

Supplementary Estimates, 1618. *See also* Estimates
Inquiry for, 3741

Supplementary Extradition Convention with the United States. *See* Extradition

Supreme Court. *See also* Canada Temperance Act Bill
Appeal to in Criminal cases, 3006
Appointment of Mr. Mignault, 356
Exemption of Salary of Chief Justice, 2118
See also Judges Act Amdt. Bill
Gold Seal Liquor Co., appeal. *See* Canada Temperance
Judges. *See* Judges Act Amdt. Bill
Privy Council appeals, 1089. *See also* that title

Supply Bills. *See* Appropriation Acts

Supply. *See also* Interim Supply
Committee of, 562, 917, 1215, 1330, 1385, 1442, 1617, 1652, 1736, 1979, 2076, 2234, 2270, 2275, 2356, 2378, 2568, 2680, 2736, 2781, 2800, 2889, 2940, 2945, 3014, 3055, 3068, 3127, 3776, 3973, 4010, 4070, 4117, 4288, 4494, 4544

Supply, Committee of
Amendments
Canadian National Railways—Information—M. (Mr. King) 1178, neg. 1215
Prime Ministers' Conference
Amdt. (Mr. King) 2626, neg. 2679
Reciprocity with the United States
Amdt. (Mr. Fielding) 2038, neg. 2075
Representation in Parliament
Amdt. (Mr. King) 1293, neg. 1329
Closure. *See that title*
Concurrence, 4541, 4576
En bloc, 2006
Estimates. *See also* that title
Committee on, 2193
Justice—without consent estimates cannot be considered, 1073

Supply—Committee of—*Con.*
Interim Supply. *See that title*
Non-confidence motions. *See* Representation in Parliament
One-sixth vote. *See* Interim Supply
Procedure in
Business for "to-morrow", 1025
Resolution introducing money bill should be preceded by notice, 1676
Rule 17C. *See* House of Commons
Subjects and items discussed:
Accredited herd, 4506-13
Agriculture, 4506
Entomology, 1024
International Institute of Agriculture, 1116
Live stock, 923, 1116
Publications, 1074
Salaries and contingencies, 917
Air Board, 3776
Alderson, Mr. George B., claim of. *See that title*
Archives, 4533
Canada Grain Act, 1442
Canada Temperance Act, 4533
Canadian Forestry Association, 4494
Canadian Government Merchant Marine, 1272, 2076
Canadian Institute of Mining and Metallurgy, 2164
Canadian National Railways, 1004, 4131, 4169, 4288, 4313, 4334, 4561
Canadian National Research Institute, 4555. *See also* under this title Scientific
Canadian Northern loan,, 3037
Canadian Press, Limited, 4533
Canadian representation in the United States, 2378
Canals, 2025, 2602, 2953, 2960, 2966-98
Civil Service
Bonus, 4534
Reclassification, 4541, 4555
Courtenay Bay improvements, 4097
Customs and Inland Revenue, 2889, 3077, 4117
Destructive Insect and Pest Act, 1027 4512
Dockyards, 4036
Dredging, 3982
Entomology, 1024
Exchequer Court, 1083
Experimental farms, 922, 928, 931, 932-36, 945, 4512
External affairs, 2437
Fish-breeding establishments, 2185, 4036
Fish inspection, 2182
Fishery officers and guardians, 2177
Fisheries patrol service, 2177

Supply—Committee of—*Con.*
Subjects and items discussed.—*Con*
Fishery problems, scientific investigation, 2188
Fisheries protection service, 4036
Flax, 931
Geological Survey, 2141-8, 2162
Government Shipbuilding Programme, 2076. *See also* under this title, Shipbuilding
Grand Trunk Loan, 4131, 4168, 4288, 4313, 4144, 4334
Harbours and Rivers, 3973-82, 4097, 4536
Nova Scotia, 3989
Prince Edward Island, 3990
Health, 2940, 3127
Health of Animals, 926, 1048, 4506-13. *See also* under this title, Live Stock
High Commissioner's office, 2437
Highways, 4289
Housing, 4552
Immigration and Colonization, 2568-2602, 3055, 3077, 4127, 4131
Imperial Mineral Resources Bureau, 4498
Indian Affairs, 2167, 2171, 4501
Interior, 1330
International Fisheries Commission, Fraser River, 2189
Justice, 1076
Labour, 4170, 4544
Emergency relief, 4535
Lake of the Woods Control Board, 2437
League of Nations, 2356
Lighthouse and coastal service, 1994, 2174, 4040
Lignite, 4499
Live Stock Branch, 923, 1116. *See also* under this title, Health of Animals
Marine, 1617, 1736, 1979, 2190
Marine Biological Board, 2189
Marine estimates, notice of closure, 1979
Migratory Birds, 4496
Militia, 2275, 2438, 2781
Annual drill, 2294
Cadet services, 2296
Clothing and necessities, 2305
Command pay
M. (Mr. Power) to reduce, 2291
Permanent Force, 2797-2800
Salaries, 2234, 2275
Mines, 2141, 2162
National Parks, 4495
Naval Service, 4010
"Niobe" and "Rainbow", sale, 4010-36
Northwest Territories, explorations, 4494
Ocean and River Service, 1736, 1979
Oyster culture, 2177
Paris agency, 2437
Parliament buildings, 3992, 4040, 4070

Supply—Committee of—*Con.*
Subjects and items discussed.—*Con*
Passport office, 2436
Penitentiaries, 1096
Pensions, 2236-78
Post Office, 3003, 4514
Outside Service, 4528
Public buildings, rents, repairs, etc., 4090
Public Works, 2680, 2736, 2808, 2945, 3973, 4070-9, 4535
Quarantine stations, 2754-68
Salaries, 2680, 4079
Shipbuilding, 1858
Railways and Canals, 1652, 3014, 4131, 4288
Railway Commission, 3016
Relief of distressed seamen, 4039
Roads and bridges, 3986
Royal Canadian Navy, 4010
Royal Military College, 2802
St. Lawrence Ship Channel, 4541
Scientific institutions, 4494
Secretary of State, 4534, 4557
Shipbuilding, 1857, 2076
Soldiers' Civil Re-establishment, 4532
Soldier Settlement, 4532
Telegraphs and Telephones, 3987
Telegraph lines, 4539
Trade and Commerce
Bounties, 1385
Canada Grain Act, 1442
Salaries, 1215
Trent canal, 2025, 2606, 2953, 2966
Welland canal, 2025, 2493, 2960-98
Yukon Territory, 1087

Sutherland, Mr. Donald (South Oxford)
Alderson, Mr. George B., claim of, 924, 1052, 2270-4, 4508
Animals slaughtered for export trade, 1051
Budget, 3584. Railway construction, 3585; industrial enterprise; class organization, 3586; Prime Minister and Progressive party, 3587; Grain Growers' Company, 3587; mill feeds, adulteration, 3589; foodstuffs and free list; farmers' sons and military service; Mr. King and the Government, 3593; Liberal platform of 1919, 3594; Farmers' party and record of Prime Minister, 3595
Butter importations, 3749
Cattle embargo, 706, 764
Dairy Products Grading Bill, 4441-8
Experimental farms, 928, 931-6
Agricultural publications and, 1076
Flax industry, 1395
Grasshoppers, destruction of, 1030
Health of Animals, 1052-67; 2270-4

Sutherland, Mr. Donald—*Con.*
Highway construction in Ontario, 4296-4306
Illustration farms and stations in Ontario, 953, 956
Inspection of Gas and Gas Meters Bill, 610
Lake of the Woods Regulation Bill, 4219
Oleomargarine Act Amdt. Bill, 3872-95; amdt. 3887
Oleomargarine, importation of materials, 3747
Parliament buildings, 3996
Return, alleged incomplete, 2250, 2270
Returned Soldiers, Special Committee, 788
Tubercular cattle, slaughtering of, 1051
Unemployment and Immigration, 1369
Veterinary Director General, 4508-13. *See also* under this title, Alderson
White grub, destruction by, 1030

Swan, Mr. D. D., consulting engineer, 1997

Tadoussac-Murray Bay Steamship Service M. (Mr. Casgrain) 1528, 1822, 1825, 1930

Taft, The Hon. William H., 3205

Tailors, Sales Tax, 3955

Tampico, Government vessel at, 1716

Tappert, Rev. N., qu. 1673

Tariff, 7, 96, 125, 130, 132, 136, 147, 155, 161, 162, 167, 175, 181, 211, 218, 238, 241, 251, 256, 263, 272, 285, 296, 315, 322, 337, 350, 353, 371, 388, 394, 398, 412, 528, 559, 417, 437, 432, 570, 476, 479, 484. *See also* Address; Canada-West Indies; Customs; French Trade Agreement; Special War Revenue; Ways and Means
Changes, 2938-55, 3119, 3121, 3696, 3725. *See also* Customs and Excise Dept. Bill
Commission, 3055, 3241, 3640
Rice Jones, Mr. Cecil, evidence before, 418. *See also* Rice Jones
Report, inquiry for, 1127, 3055
Legislation, 3118
Policy, 1878
Preferential, with West Indies, 2251
Protective, 1285
Reciprocity Agreement with United States—Amdt. (Mr. Fielding) 2038, neg. 2075
Reduction of—Amdt. (Mr. Fielding) to Budget, 3155, neg. 3686
Resolutions, 3121. *See also* Customs Tariff; Ways and Means
Revision of, 2, qu. 903, 2346, 3150, 3159, 3160, 3220, 3342, 3392, 3420, 3482, 4254. *See also* United States, Young Emergency Tariff

Tar Sand Rights, General Lindsay, qu. 671, 834

Taxation. *See also* Revenue Bills
Banks, qu. 2192, 3664
Burdensome, 1292
Business profits, 484, qu. 576, 3120, 3253, 3445
Cost of collection, 2100
Direct, 3147, 4344
Excise, qu. 1236, 3120. *See also* Customs and Excise Dept. Bill
Forms—revision, qu. 1237
Income Tax. *See also* that title
Appointments to staff, 2106
Collections in Saskatchewan, qu. 2028
Farmers from, in each province, qu. 569
Incomes of over $200,000 qu. 838
Instructions in French, qu. 2624
Penalties, qu. 2100
Preparation of return and computation of tax, 2567
Regulations, 1272
Returns, 2625, 3147
And penalty, 2101
Tax-payers—farmers, qu. 838
Taxes for 1920, qu. 2821
Income and Business Profits, cost of administration, qu. 837
Inconsistencies in, 3550
Indirect, 3221
Land. *See* Land Taxation
Law stamps, 1090
Job printers, 4123
Luxury, qu. 402, 600, 1191, 3114, 3285, 3445
Abolition, 1185
Motorbus, remission, qu. 603
Mutual companies, qu. 605
Postal war tax, 4515
Provinces, 3705-6, 3742
Railways, 1008
Sales, 3120, 3372, 3485, 3545, 3735-52-54, 3957. *See also* Special War Revenue Act Amdt.
Collections, qu. 2506, qu. 3830
Sales by farmers, 3956
Three main principles of, 3221

Taxation of Judges. *See* Judges Act Amdt. Bill

Teakle, Mr. R. B., 1934

Telegraphs and Telephones, 3988, 4539
Cape Breton, 3987
Government business, 4130
Isle aux Coudres, extension, 4540
Loretteville-St. Gerard, 4539

Telephones. *See also* Marine Signal Service
Berthierville, qu. 1233
Kamouraska and Temiscouata Co., 2175
Service, 4093

Témiscouta
Indians 2168
Telephones 2175

Temperance Act, prescriptions under, 3730. *See also* Canada Temperance Act

Tenders. *See* Purchasing Commission

Terminal Elevators, 277-79, 1442. *See also* Canada Grain Act; Grain; Wheat
Maintenance, 1463
Overages, 3634

Textiles. *See* Trade

Thanksgiving Day, date of, qu. 2098. *See also* Armistice Day Bill

Theft, Motor cars of. *See* Criminal Code Amdt.

Thessalon wharf 3975

Thompson, Mr. Alfred (Yukon)
Civil Service Act Amdt. Bill 4480
League of Nations, 55
Mail contract, White Horse-Dawson, qu. 2686
National Research Institute 2698-2700
Natural resources, 851
Proportional representation, 1553
Rulings as Chairman:
Member in order in reading from newspaper, 1891
Tedious repetition, 1892

Thompson, Mr. T. H. (East Hastings)
Dairy Products Grading Bill, 4441-7

Thomson, Mr. Levi (Qu'Appelle)
Address in reply to Governor General's Speech, 345; congratulations to Prime Minister; country's obligations to returned soldiers; conscription; United Grain Growers, Limited, 345; marketing of grain; sale of implements and other commodities; two party vs. group system; proportional representation 346; the amendment; different premises but same conclusion; confidence of the country; by-elections; consequences of vote on amendment, 348; no confidence in Government; the tariff, 350
Agricultural shows, 1241
Ames, Sir Herbert, resignation, 1317
Automobile theft, 3914
Budget, 3310. Sales tax and valuation of foreign imports; Canadian Reconstruction Association, 3312; protective

Thomson, Mr. Levi—*Con.*
Budget—*Con.*
tariff for industries, 3315; free trade, 3315; raising of revenue; land tax, 3317
Cattle embargo, 714
Criminal Code Amdt. Bill, 3897-9, 3914-35
Crushed grains, 3746
Customs and Excise Dept. Bill
Free trade, 4419
Indirect increase in tariff, 4419
Trade agents, 3808
Valuation for duty, 4419
Customs drawbacks, qu. 2375
Dominion Elections Act Amdt. Bill
Candidate, death of, 3095
Disqualified voters, 3098
Foreign-born wives and children of British subjects, 3104
Forms, 4228-47
Naturalization—certificate of qualification, 4237
"Personal naturalization", 4245
Recount, 3097
Revising officers, 3102
Dominion notes and gold reserve, qu. 1234
Farmers and protected interests, 3751
Great Lakes-St. Lawrence waterway, 751
Justice Department
Law-clerk stenographers, 1078
Maisonneuve and Gaspé, representation, 2335
Military preparation, 2300
Point of order—member must accept statement, 3629
Proportional representation, 1534
Reciprocity agreement with United States, 2064
Representation in Parliament, 1317
Trade commissioners in the United States, 1465, 1484
Welland canal, construction, 2989
Wheat Board, 1453
Position of Mr Crerar, 1460

Three Card Monte. *See also* Criminal Code Amdt., 3921

Thunder Bay, Ice-breaking, 2174

Thursdays and Fridays, Rule 17C. *See* House of Commons, Estimates

Ticket-of-Leave, case of W. H. Tapley, res. (Mr. Casgrain) 970

Tilley, Mr. W. N., K.C., qu. 1001. *See also* Grand Trunk Arbitration

Timber. *See also* Forestry
Culling, 1426
Ontario limits, 3391
Tobique reserve, cutting on, 4503

Tinctures and Elixirs. *See* Customs Tariff

Tinplate Industry, 3326-7

Titaniferous Ores. *See* Research

Tobacco
Canada-West Indies Trade, 2254. *See also* that title
Cigars and, unlawful sale, 3786
Duty on, 3698
Excise taxes on qu. 1236
Experimental station at L'Assomption, 918, 946
Growing, 91, 1076, qu. 1500, 3669
Protection, 300, 3676
Harrow tobacco station, 1076
Licenses, 2554

Tobacco Buyers' Association, 91

Tobin, Mr. E. W. (Richmond and Wolfe)
Anderson, Mr. A. H., qu. 735
Black, Mr. A. H., qu. 735
Brackenbury, Mr. G. B., qu. 735
Civil Service bonus, qu. 1623
Douglas, Mr. H., qu. 735
Grand Trunk
Arbitrators, salaries, qu. 1130
Pensions, qu. 964
Taking over, qu. 838
Printing Bureau employees, qu. 1348
Quebec highways, aid to, qu. 2344
Rural mail carriers, qu. 964
Taxation forms, revision, qu. 1237

Tobin, Mr. W. J., and Soldier Settlement Board, qu. 1133

Tobique reserve, timber cutting, 4503

Tofino wharf, 3981

Tolmie, Hon. S. F. (Minister of Agriculture)
Accredited herd, 1049, 4506-12
Agricultural shows, 1245
Agriculture. *See also* under this title, Health of Animals, Live Stock
Benefits from agricultural bulletins, 1075
Department, estimates, 917
Publications Branch, 1074
Salaries, 1036
Seed inspectors, 1033
Alderson, Mr. George B., claim of, 925, 1052, 1059, 4512
Animal Contagious Diseases Act Amdt. Bill, 2031, 3011, 2942
Banff National Park, 4495
Berry boxes, 4115-16
Budget, 3648; dry dock at Esquimalt, 3648; Pacific coast trade, 3649; tonnage entering Canadian ports, 3650
Canadian Forestry Association, 4495

Tolmie, Hon. S. F.—*Con.*
Cattle
Embargo, 722
Feeding for export, 1120
Marketing, 1121
Cold storage, 1039
Montreal Harbour Commission, 1041
Municipally-owned plants, 1040
Dairying, 1036
Dairy herds, 1118
Dairy Products Grading Bill, 4437-48
Destructive insects, 1027
Dominion lands, 1334
Entomology, 1024
Esquimalt dry dock, 3648
European corn borer, 1032
Exhibitions and fairs, 1123
Experimental farms, 942
Farmers' clubs and cattle herding, 1117
Flax industry, 931
Forestry, 4494
Forests—aerial patrol, 4495
Fruit growing, development of hardy varieties, 1043
Fruit inspection, 1041
Inspectors, 1042; distribution of, 1045
Grasshopper and insect plagues, 1030
Health of Animals, 4506, 4513
Compensation for slaughtered herds, 1048
Diseases, 1048, 1051
Glanders in Frontenac, 926, 1058
Hog cholera, 1058
Garbage feeding, 1058-9
Procedure in dealing with, 1061
Alderson, case, 925, 1052, 1059, 4512
Increase in amount of item, 1057
Inspectors, 1067-8
Pleuro-pneumonia and tuberculosis, 1048
Slaughtering, 1048, 1051, 1062
Veterinary system, 1058
Horse breeding, 120, 1118
Illustration farms in Ontario, 952
Illustration station at L'Assomption, 947
Imperial Mineral Resources Bureau, 2166, 4498
Indian affairs, 2167-71
Insect and Pest Act, inspectors, 930, 1044
Inspection of root vegetables, 4343
Interior Department
Cabinet maker, 1342
Clapp, Miss S., 1332
Employees, 1332
Salaries, 1331
International Institute of Agriculture, 1116
Lignite Utilization Board, 4499
Live stock, 1116. *See also* under this title Agriculture, Health of Animals

Tolmie, Hon. S. F.—*Con.*
Live Stock—*Con.*
Commission men, 1122
Marketing, 1039
Pure-bred animals, distribution of, 948
Rescue policy, 1119
Migratory Birds Convention Act Amdt. Bill, 2442, 2891, 4496
Mines and Geological Survey, 2141, 2162-67
Municipalities—cold storage, 1040
Oleomargarine Act Amdt. Bill, 563, 3850-96, 3905
Pacific coast trade, 3649
Politics, participation in by public officials, 4503
Potato diseases, 1032
Refrigerator cars for fish, 1038
Seed Branch, 1125
Seed Grain 4506
Sheridan, Mr. John, resignation and reinstatement, 2173, 4501-5
Spruce bud worm, 1031
Surveyors, pamphlets for, 1335
Tourist traffic, 4495
Wool grading, 1121-2

Tonnage into Canadian ports, 3650. *See also* Shipping

Toronto
Customs building, qu. 3772, 4095
Customs officials, 1351
Harbour improvements, 687
Post Office
Appointments, qu. 734
Promotions, qu. 1673
Shipyards, 1889
University. *See* Research

Torrance, Dr. *See* Hog Cholera

Tourist Traffic, 4495.

Tractors, free, 3509. *See also* Agricultural Machinery

Trade. *See also* Board of Trade; Canada-West Indies Trade Agreement; Customs and Excise Dept. Bill; French Trade Agreement; Steamship services
Africa with, 1468, 1965
Agents and Commissioners, 525, 1392, 1464-77, 2893, 3460-2, 3785-3809. *See also* Customs and Excise Dept. Bill
Buenos Aires, 3794-8
Europe, in, 1473
United States, in, 512, qu. 1001, 1473, 3460. *See also* United States
Aggregate, 3115
Australia and New Zealand, 1223-4, 1468
British preference, 3699

Trade—*Con.*
Chamber of commerce, 1224
Development of, 1466
Export, 1688, 1712, 1732
Canadian Government Merchant Marine, by, 1276-77
Expansion, 1276
Figures, 3349
Foreign, 1221-1225
Canadian enterprise in, 3409
Imports, value, 3310
Invoice certificate, 4389
France, with. *See* French Trade Agreement
German. *See* Customs and Excise Dept. Bill; Customs Tariff
Gillies Bros., Limited, letter on restriction of, 4418
Great Brtain with, 3116
Imported goods, marking, 3938. *See also* Customs Tariff
International Trade Conference, 2151
Report, 4541
Restrictions, 4418
Routes, 1888
Rates on. *See* Canadian Government Merchant Marine
Russia, with, 1003, 1072, 1224
South Africa, with, 1468, 1965
Treaties. *See* Canada-West Indies; French Trade Agreement; Reciprocity
United States. *See* that title
West Indies 1271, 1275, 1870, 2251. *See also* Canada-West Indies Trade Agreement

Trade and Commerce
Department
Bounties. *See that title*
Canada Grain Act, administration, 1442
Demography, Chief of, 1232
Dominion Statistician, 1231
Employees, 1218
Moving pictures, 599, 1225, 1467, 1558
Artists and Lecturers, 1225, 1232
Patent and Copyright Branch, 1496
Salaries, 1215
Increases, 1218
Statistical Branch, 1231
Subsidized steamers, 1712. *See also* Steamship Services
Weekly bulletins, 1220
Weights and Measures, 1485

Trade Mark and Design Act Amdt. Bill
1r., 229; withdrawn, 2891

Trades and Labour Congress. *See* Labour, National Catholic Unions
Platform of, 1634

Trahan, Mr. Arthur (Nicolet)
Address in reply to Governor General's Speech, 223; disregard of rights of French language, 223; religious holidays; violation of pledge given by Sir Robert Borden; Prime Minister's professed friendship for Quebec, 224; attack on leader of Opposition and his supporters; military imperialism the mailed fist of commerce and industry; agriculture, the basis of industrial stability; industrialism fraught with danger; the "crisis of moral sense"; Pensions Act; the Prime Minister still a "downright imperialist"; Mr. Gauthier and the Minister of Marine; Quebec will remember 1917; War-time Elections Act; Government shows contempt for rights of Parliament and people; Peace Treaty; country's credit involved without the consent of Parliament, 226; Purchasing Commission; Canadian Navy; League of Nations; Prime Ministers' Conference, 227; Imperial defence; divorce; Quebec, 228; Government undeserving of confidence, 229
Civil Service
Ascension day, 2775
Civil Service Act Amdt. Bill, 4484-89
Holidays, amdt. 4484
European credits, qu. 2622
Finance. *See also* that title
Accounts with Great Britain, qu. 2622
Dominion note issues, qu. 2621
Expenditure accounts, qu. 2621
Investments "other" and "non-active", qu. 2619
Public debt—non-active miscellaneous banking accounts, 2621
Repayment of $25,000,000 loan, qu. 2622
Revenue accounts, qu. 2620
Income tax returns, 2625
International Financial Conference, qu. 1237
St. Simon station agent, qu. 3208

Trains, Cancellation of. *See* Canadian National Railways

Tramp Steamers. *See* Canadian Government Merchant Marine

Transcontinental Railway. *See* Canadian National Railways

Transferable Votes. *See* Proportional Representation

Translation of French Speeches. *See* House of Commons; Debates; French language

Transportation, 738. *See also* Canals; Grain and grain trade; Great Lakes-St. Lawrence; Railways; St. Lawrence river
Difficulties, 3567
Car shortage, 512, 548, 3541, 4322
Rail and water, 484
Res. (Mr. Keefer) 674; withdrawn, 756

Travelling Expenses of Judges. *See* Judges Act Amdt. Bill

Treaties. *See also* Canada-West Indies; Extradition; Canadian Representation in United States; French Trade Agreement
Extradition between Canada and United States, 2687
Migratory Birds Treaty, 2892. *See also* that title
Negotiation of, 2387

Tremblay, Edouard. *See* Quebec Riots

Trent Canal. *See* Canals

Tributes to Deceased Members. *See* House of Commons

Trowers, Miss Catherine, qu. 1131

Trustees, remuneration of. *See* Bankruptcy Act Amdt. Bill

Tubercular Cattle. *See* Health of Animals

Tuberculin Test, 1049

Tuberculosis, Prevention of, Canadian Association, grant, 3142

Turgeon, Mr. O. (Gloucester)
Address in reply to Governor General's Speech, 144; congratulations to mover and seconder; the new Prime Minister, 144; the "Great Liberal" dead but spirit survives; the world in an abnormal condition; Prime Minister's reasons for not holding general election; Government has forfeited confidence of country, 145; reasons for formation of Union Government; Government elected for term of war and demobilization, 146; people clamouring for election; tariff; increase of railway rates, 147; redistribution, representation of rural and urban communities, 148; increased production and population, 149
Budget, 3447. Financial conditions and Government policy, 3447; tariff revision, 3448; value of home market, 3449; luxury taxes; taxation of lumber; tariff and protectionist spirit. 3450; income tax, 3451; free trade and

Turgeon, Mr. O.—*Con.*
Budget—*Con.*
Agrarian party, 3452; Brussels Conference; taxation of unemployed land, 3453
Caraquet Gulf Shore Railway extension, 4338
Civil Service bonus, 2112
Civil Service (Res. Sir Sam Hughes) Political patronage in; Civil Service Commission; classification, 825; exercise of patronage by members; outside service, 826
Grain exported, 3054
Great Lakes-St. Lawrence waterway, 745
Intercolonial Railway, 4568
Lumber, sales tax on, 3450, 3743
Maritime Provinces, improved railway facilities, 4568
Privilege—Hon. Mr. Veniot, 3740
Railway situation, 3039
Shipbuilding, 1951

Turnover, Tax on. *See* Sales Tax

Tweedie, Mr. T. M. M. (Calgary West)
Canada Temperance Act Bill
Costs, 4387
Gold Seal Liquor Company vs. Dominion Express Co., 4379
Proclamation, omission of date, 4379
Rights of others than litigants affected, 4379
Strict compliance with statute, 4380
Vote, 4379
Canadian National Railways
Special Committee, reference to, M. (Mr. Meighen) 1789
Canadian representation in the United States, 2411-14
Cattle, slaughtered, compensation, 1061
Chief Justice, salary of, 1566
Civil Service Act Amdt. Bill, 2833-84
Criminal Code Amdt. Bill, 3926
Punishments, 695, 2228
Dairymen, loss to through destruction of cattle, 1061
De Martigny divorce, 3765-7
Estimates, Committee on, 2202
Excessive or inadequate punishments, 695, 1857, 2228
Inspection of Gas and Gas Meters Bill, 619
Opium and Narcotic Drug Act Amdt. Bill, 2904
Natural Resources—transfer to western provinces, 2547-49
Pensions, widowed mothers, 636
Public buildings in Nova Scotia, 2744
Tubercular cattle, destruction of, 1061

Typhus
Epidemic in Europe, 4534
Precautions, 643. *See also* Immigration

Under Secretaries. *See* Ministers

Unemployment, 2, 3203, 3259, 3367, 3811-12, 4361. *See also* Address; Budget; Customs and Excise Dept. Bill; Housing; Immigration; Labour; Returned Soldiers; Shipbuilding
Emergency relief for, qu. 2623, 4535
Employment offices, 4363
Extent of, 4549
Housing loan, 4552
Immigration, suspension of
M. (Mr. Deslauriers. 1351; withdrawn, 1380
Insurance, 2, 9, 231, 237, 263, 284, 395, 4547. *See also* Address
Labour and, 1373. *See also* Labour
National Advisory Council, 4363
Relief, qu. 570, 4550
Emergency, qu. 2623, 4535
Returned soldiers, 4048
Peterborough in, qu. 4253
Shipbuilding, 1727, 1882, 1897, 1902, 1909
Quebec at, 1986

Unified Buying. *See* Canada Grain Act

Union Service Fund, qu. 2192

United Farmers of Ontario, 791, 3199, 3592, 4297, 4301. *See also* Drury
Railway nationalization, 1787

United Grain Growers, Limited, 289, 316, 331, 346, 417, 3662. *See also* Grain and Grain Trade, Progressive Party
Commercial activities, 516
Dockages, 3633-34
Lambert, Mr. Norman. *See* Lambert
Lumber business, 3633
Rice Jones, Mr. Cecil, 289, 290, 333, 417, 3180, 3492
Sale of American implements, 346, 418, 491, 3372. *See also* Speeches on Address; Budget

United States. *See also* Ambassador; Canadian Representation; Customs and Excise Dept. Bill; Reciprocity; Trade
Annexation with, 1483
Attitude of Southern States on protection, 3458
Boots and shoes, Canadian in, 1225
Borrowings from, 3266
Canadian dollar, value in, 3087
Canadian Government Merchant Marine cargoes, 1689, 1722. *See also* that title
Canadian War Mission, 3388, 2400
Capital invested in Canada, 3219

United States—*Con.*
Coal from, 1248. *See also* Fuel Supply Problem
Coal mines owned by Canadian Rys., 4317
Commercial agents in, 1473
Constitution, comparison with, 1166
Consular service, 1475, 3460, 3796. *See also* Customs and Excise Dept. Bill; Trade
Customs regulations, 3817, 4417
Emigration to, 3068
Exchange rate, 3167
Extradition Treaty with, 2687, 3008, 3207. *See also* Extradition Convention
Tabled, 3207
Farming, competition in, 3187
Fordney Bill, 512, 3239, 3368, 3442. *See also* under this title Young Emergency Tariff
French Canadians in, 1483, 3675
Grand Trunk Railway
Amount due, 4135
Lines in, 4326
Immigration, 1360, 3064, 3068, 3072
Commissioner, 3059
Restrictions, 1357
Importation of farm implements from, 417, 492, 3372, 3409
Migratory Birds Treaty, 2892. *See also that title*
Nolan Act, patents, 4454
Patent legislation, 4454-60
Pecuniary Claims Convention, qu. 1817. *See also that title*
Premium on American money, 3087
Progress in farming, 3188
Pure bred cattle, 1049
Railways, 1007, 1576
Cost of operation, 1576
Government control, 1583
Systems and freight vessels, 1730-31
Reciprocity with. *See also* Address; Budget, 268, 297, 1481, 2038, 2045, 2058, 2066, 2075, 2393
Relations with, 400, 3245
Shipbuilding, 1288. *See also* that title
Tariff, 3456. *See also* under this head, Fordney, Young Emergency
Canadian duties, 4254
Tariff legislation, 3118, 3342
Tinplate industry, 3326
Trade agents in, qu. 1001, 1219. *See also under this title* Consular Service
Agents in Canada, 1221. *See also* Customs and Excise Dept. Bill; Trade
Trade with, 1482, 3460, 4397-4400. *See also* that title
Barriers to, 3599

United States—*Con.*
Young Emergency Tariff Bill, 2905, 3160, 3115, 3352, 3809
Rumoured new tariff resolutions, 3905

United States Transportation Act, 1007

Universities, Scientific work at. *See* Research

Unopposed Motions for Returns, 578, 606, 674, 767, 840, 1134, 1238, 1350, 1502, 1625, 1821, 2193, 2346, 2507, 2821, 3090, 3423, 2772

Upper Chamber. *See* Ministers

Upper Crossing, St. Roch light, qu. 1383

Uruguay, seizure of Nova Scotia vessel, 1527

Vacancies. *See* House of Commons

Vallée, Dr., case of, 3131

Vancouver Island
Canadian National Railways on, qu. 3422
Returned soldiers and shipbuilding, 1727

Vegetable Insects, 1027

Vegetables, Root, Inspection and Sale, 4343

Venereal Diseases, 3127

Veniot, Hon. P. J., 3637, 3688, 3717, 3740. *See also* York-Sunbury

Verret, Colonel Hector, 4525

Versailles Treaty. *See* League of Nations; Patent Act Amdt. Bill

Verville, Mr. Alphonse (St. Denis)
Housing loan, 4552
Income tax collections, qu. 569
Unemployment, 4550
Emergency appropriation for, qu. 2623

Vessel Rates. *See* Railway Act Amdt. Bill

Vessels. *See also* Canadian Government Merchant Marine; Shipbuilding
Canadian National Railway, qu. 1348
Commandeered, qu. 2943
Names of
"Brant", 1982
"Canadian Beaver," qu. 1673, 1862
"Canadian Conqueror," qu. 1381
"Canadian Explorer," 1714
"Canadian Inventor", 1890
"Canadian Mariner", 1713, 1715
"Canadian Otter," qu. 1382
"Canadian Pioneer," qu. 1382, 1689, 1722, 1894

Vessels—*Con.*
Names of—*Con.*
"Canadian Planter", qu. 2942
"Canadian Rancher", 1716
"Canadian Ranger," qu. 1382, 1863
"Canadian Recruit," qu. 575, qu. 1381, 1382, 1703, 1863
"Canadian Runner", 1715
"Canadian Sapper", qu. 734
"Canadian Seigneur," qu. 1382, 1863
"Canadian Squatter", 1894
"Canadian Voyageur", qu. 1381, 1382, 1716, 1894
"Champlain", 1980, 1983, 1995
"Druid", 1980, 1984
"Esperanto", 4341
"Lake Champlain", ice-breaker, 2174
"Laurentian", qu. 1348
"Marie Lydia", 1985
"Montcalm," ice-breaker, 1985
"Muriel W.", 1990
"Narbethong", 2175
"Neophyte", 1966
"Niobe", qu. 671, 4010-36, 4041
"Rainbow", qu. 671, 4010-36, 4041
"Scandinavian", 1498, 1556
Seagoing, tonnage, 3650
Service, in, qu. 568
Wooden, 1714, 1728, 1871

Veterinary Director General, 4508-13. *See also* Alderson; Health of Animals

Veterinary Inspector General, 4513

Veterinary Inspectors. *See* Health of Animals

Veterinary Surgeons. *See* Health of Animals

Vice-Admiralty
Judges, 1084
Registrar in Quebec district, 1086

Vickers' Shipyards, 1967

Victoria
Drydock, 265
Contract for, qu. 565
Shipbuilding, qu. 599

Victoria Day, adjournment. *See* House of Commons, Adjournments

Victoria Bridge, widening, 300

Victory Bonds, 1285, 3444. *See also* Finance
Expenses, qu. 1620
Government investment in, 1704

Vien, Mr. Thomas (Lotbiniere)
Address in reply to Governor Generals' Speech, 430; Tribute to the late Thomas P. Owens, Editor of Debates; the late Mr. Gladu; does majority in the House reflect public opinion?; the Government's mandate, 430; Government elected in 1917 to enforce Military Service Act; the question of confidence; Liberal members of Cabinet; tenure morally at an end; Prime Minister's argument, 431; tariff, 432; fiscal policy of Liberal party; Farmer's platform; refusal of Canadian Manufacturers to sell to farmers' organizations, 434; Minister of Immigration; Canada's status; unity a real element of nationhood; Sir Wilfrid Laurier; dissolution, 436

Vien, Mr. Thomas—*Con.*
Address—*Con.*
Administration of Justice, Yukon territory, 1087
Agricultural shows, 1240
Bankruptcy Act, Judges under, 1085
Canadian Bar Association, 1095
Canadian Government Merchant Marine
Administration, 1441
Insurance and value, 1278
Vessels in service, qu. 568
Canadian manufacturers and United States trade, 1222
Canadian nationals, 772
Canadian National Railways
Conductors, qu. 569
Divisional points, qu. 574
Freight cars, qu. 568
Operating expenses, qu. 1131
Policy and history of, not in order, 1773
Service between Winnipeg and Quebec, qu. 569
Special Committee, reference to M. (Mr. Meighen) 1768, 1779
Transcontinental, transportation of grain, 2984
Canadian Record, 1438
Canadian representation in the United States, 2386
Canadian Wheat Board Bill, 2159
Cattle and horse breeding, 1118
Cattle embargo, qu. 709
Civil Service
Bonus and reclassification, 1463
Copyright—Bill not printed in French, 649
County Fairs, assistance to, 1123
De Martigny divorce, 4078
Director of Commercial Intelligence, 1219
Dominion Lands Act Amdt. Bill, 4062-6
Estimates
Before item passes question should be put in Com., 1091
Discussion of, 1230
Experimental farms, 939
Flax industry, 1408

Vien, Mr. Thomas—*Con.*
Fortifications of Quebec, 970
Gilmour and Hughson Bill, 1096
Grand Trunk loan, 4134-51
Grand Trunk loan, 4134-51
Hudson Bay Railway, 989
Iron ores, 1436
Law stamps, tax, 1090
Linen yarns, 1407
Loans, domestic, qu. 566
Judges
Ad hoc, and Admiralty, 1084
Yukon territory, 1088
Justice Department
Purchasing Commission and, 1103
Maisonneuve and Gaspé representation, 2319
Parliament buildings, 4077
French inscription, qu. 568
Penitentiaries, 1115
Purchasing of supplies, 1097, 1104, 1107
Pierreville postmistress, qu. 3422
Point of order—statement misquoted, 2231
Polish battalion for service in French army, 4058
Privy Council—"Insular" tribunal of England, 1090
Purchasing Commission, 1098, 1103, 1114
Civil Service Commission and, 1100
Railways and Canals, annual report, qu. 697
Research Council, 1436
Russia, trade with, inquiry, 1072
St. Croix and St. Antoine wharves, 2616
Searls, Mr. George, grain inspection, 1444
Soldiers' pensions, insurance and re-establishment, 4058
Trade commissioners in United States, 1220
Trent canal, 2953, 2978, 2606-17
Veniot correspondence, 3719
Vice Admiralty, registrar, salary, 1086
Welland canal, construction, 2978
Wheat Board, 1454, 1463, 2159
Winding-up Act Amdt. Bill, 2158

Ville Emard Tunnel, 3677

Vote on Account. *See* Interim Supply

Votes. *See* House of Commons, Divisions

Walker, Sir Byron, 2684

Wallace, The Late Mr. Tom G., tribute to, 152

War. *See aslo* Demobilization; Germany, Reparations
Accounts, Canada-Great Britain, adjustment, qu. 2191
British Remount Commission, qu. 4341
Canada's share, 3583
Canadian Mission in the United States, 2388, 2400

War—*Con.*
Claim of Canadian citizens, qu. 1820
History, qu. 1625
Indemnity, 3195
Loans, 3246. *See also* that title
Reparations. *See* Germany
Scandals, 3509
Surplus supplies, disposal of, qu. 736
Union Service Fund, qu. 2192

War Measures Act, 4459. *See also* Purchasing Commission

War Purchasing Commission, 2309. *See also* Purchasing Commission

War Times Election Act, 217, 322
Perpetuation of, 4238-40

Washington. *See* Ambassador at; Canadian Representation in the United States; Prime Ministers' Conference

Water Powers. *See ulso* Lake of the Woods
Canadian General Electric Company, 2607
Conservation Commission, 3960-70
Development of, 844
Director of, 1346
Films showing, 1467
Great Lakes-St. Lawrence. *See that title*
Lake of the Woods, 4171. *See also* that title
Trent canal, 2954-64

Waterways. *See* Canals; Transportation Commission. *See* International Joint Commission
Great Lakes-St. Lawrence, 674, 738
Chicago Drainage Canal diversion, 186, 2225

Watson, Dr., Chief Pathologist, 1050

Ways and Means, Committee of, 562, 2100. 3688, 3698, 3719, 3726, 3733, 3741. *See also* Budget; Tariff
Resolutions, printing of, 3207

Webster, Hon. Senator, 1990

Wednesday Sittings. *See* House of Commons, Sittings

Weed Seeds, 289

Weekly Bulletins, 1220

Weights and Measures, 1485

Welland, Binder twine factory, 3227

Welland Canal. *See* Canals

West Durham Election, 1324

West Indies. *See also* Canada-West Indies Trade Agreement
Cable, 1438
Canadian Government Merchant Marine ships, 1913. *See also* that title

West Indies—*Con.*
Canadian ships for, 1870
Conference of 1920, 1870, 2252
Customs tariff, goods under, 3698. *See also* that title
Importations, preference, 3698, 3704
Preferential tariff, 3704
Proposed union with, 2254
Steamship service, 1275, 1488, 1712, 1714, 2253-62
Sugar imports from, 3699-3700
Trade with, 1271, 1275, 1870, 2251

West Indies Trade Agreement. *See* Canada-West Indies

Western Canada
Antelope in, qu. 1134
Colonization Association, 2583
Natural Resources. *See* that title

Western Dominion Railway Company, 3343. *See* Private Bills

Western Provinces and Natural Resources
M. (Mr. Campbell) 2519. *See also* Natural Resources

Wharves and Breakwaters, for individual wharves. *See* their titles
Cape Breton, 4103
Lighting of, 1929
Repairs to, 1971

Wheat. *See also* Canada Grain Act; Canadian Wheat Board; Elevators; Grain and Grain Trade; Transportation
Consumption and production, 3369
Credit to Belgium for purchase of, qu. 1001
Crop of 1920, 438
Marketing, 342, 346
Marquis, 1033
Milling in bond in United States, 3368
Pool, 391
Price of, 369, 3395
Rust, 341

Whipping. *See* Criminal Code Amdt.; Opium and Narcotic Drug

White, Sir Thomas, 451, 477. *See also* Leeds
Resignation of, 1619
Status of, 69, 463, 469, 477, 1294, 1326

White, Mr. W. H. (Victoria, Alta.)
Address in reply to Governor General's Speech, 548; congratulations to Prime Minister; grievances of the West; car shortage; Commission to investigate grain trade, 549; sentiment of the West; the Agrarian group, 550
Agricultural implements, 3394
Blood Indian reserve, qu. 1818, qu. 1819, qu. 2098, qu. 2374
Budget, 3538. Alberta's representation in House; Government regulation of oil and petroleum resources, 3539; inadequate transportation facilities in West, 3540; freight cars for grain shipments. 3541; agricultural implements, 3544
Canadian National Railways
Car shortage, 548, 3541, 4322
Western representation on Board, 4315
Canadian Pacific Railway, patents to lands, qu. 2821
Cattle embargo, 704
Dominion Elections Act Amdt. Bill, 4234-5
Naturalization—certificate of qualification, 4236
Immigration, 2574-9
Immigration Act Amdt. Bill, 3823-6
Reciprocity agreement with the United States, 2071
Royal Canadian Mounted Police Act Amdt. Bill, 2484
Soldier Settlement Board, qu. 673
Transportation charges on stock feed, qu. 2686

White, Mr. W. H.—*Con.*

White Cross. *See* Burnham, Dr.

White Dog Rapids, 4172

White Grub, destruction by, 1030

Whitehead Life-saving station, 1991

White Horse, Judge at, 1088

Whitley Councils. *See* Civil Service

Wholesalers. *See* Sales Tax

Widowed Mothers. *See* Pensions

Wife Desertion. *See* Extradition

Wigmore, Hon. R. W. (Minister of Customs and Inland Revenue)
Civil Service Retirement Act Amdt. Bill, 2500-01
Customs and Excise Dept. Bill
Amalgamation of departments, 3821
Brokers, 4432
Certificate, form of, 3799
Explanation by Minister, 3786
New and unused goods, 3813
Preventive service, Victoria county, 4388
Provincial analysts' certificate, 3788-90
Valuation for duty, 4411
Customs and Inland Revenue Department
Belyea, Mr., retirement, 3082
Consolidation of offices, 3083
Estimates, 3077, 4117
Officers, 3083
Nova Scotia, 3096
Overtime, 4123-5
Retiring allowances, 3084

Wigmore, Hon. R. W.—*Con.*
Customs and Inland Revenue Dept.—*Con.*
Job printers, taxation, 4124
"Niobe" and "Rainbow," 4018-32
Personal business, Nagle & Wigmore, 3077, 3079, 3612
Shipyards, 1927
York-Sunbury election, Veniot correspondence, 3718

Wilson, Judge, superannuation of, qu. 1622

Wilson, Mr. Gordon C. (Wentworth)
Highway construction in Ontario, 4289-4300
Hamilton-Brantford highway, qu. 3582, qu. 3904, 4252-3
Privilege—Hon. F. C. Biggs, 4448
Purchase of trucks by Hon. F. C. Biggs, 4291
Warren company, qu. 4252

Wilson, Mr. J. R. (Saskatoon)
Highways—Saskatchewan, 4307
Income Tax Act Amdt. Bill
Prosecutions in Saskatchewan, 4347
Unemployment and immigration, 1373

Winding-up Act Amdt. Bill
1r., 2095-6; 2r., com.; 3r., 2158

Windsor, use of armoury, 902

Wines
Imported, duty on, 3126, 3705, 3710, 3734
Medicinal, 3709
Other than sparkling, 3710
Sparkling, 3711

Winnipeg
Fort Garry Hotel, insurance, qu. 1348
Grain Exchange, 277, 335, 343, 379, 440, 489, 513. *See also* Grain
Grain laboratory, 1228
Proportional representation in, 1532, 1535, 1538
Strike, 3359, 3360, 3560

Winnipeg river., 2347, 4172. *See also* Lake of the Woods

Winter Fairs. *See* Live Stock

Wireless Communications. *See* Prime Minister's Conference

Wire Worms, 1027

Wolffe, Mr., 793. *See also* Printing Bureau, Destruction of documents

Woman Suffrage, 173, 527, 4474

Women Voters. *See* Dominion Elections Act; Canadian Nationals

Wood, Mr. E. R., 1609-10, 3610. *See also* Canadian National Railways

Wooden Vessels, 1714, 1728, 1871. *See also* Shipbuilding

Woods, Mr. H. W., 288, 331, 380, 513

Woodstock Exhibition, 1125

Wool Grading, 1121.

Working Expenses. *See* Penitentiaries

World's Poultry Congress, 4513

Wrecking Plants, 1990

Wrecks, Investigation of, 1988

Wright, Mr. A. A., and Labour, 1647

Wright, Mr. H. O. (Battleford)
Address in reply to Governor General's Speech, 511; Congratulations to Prime Minister; Fordney Bill and its possible effect on Canada; Ambassador at Washington, 511; trade between Canada and the United States; adverse trade balance, 512; shortage of cars; Commission to investigate grain trade; foreign-born in Western Canada, 514; broader national spirit; national classification of census; leader of Progressive party, 515; commercial activities of organized farmers, 516; sale of American goods; purchases by Government in United States; Government's mandate, 517
Budget, 3565. Budget and taxation, 3566; Canadian Wheat Board; Agricultural and transportation difficulties, 3567; low price of farm produce and high price of farm implements, 3568; Farmers' platform, 3569
Civil Service bonus, qu. 967
Fish-breeding in Saskatchewan, 2185
Highways, Saskatchewan, qu. 1820

Yamaska By-Election, 1156, 1898, 3215, 3250, 3467, 4534
Boucher, Mr. Aime, 3422, 3423. *See also* Pierreville Postmistress; Park St. Charles
Mondou, Mr., 3251
Vacancy, 1293

Yarrows, Limited, 3649

York-Sunbury
By-election, 2151, 3475, 3480, 3627, 3630, 3662, 3637, 3717
Catholic Minister, and, 3480. *See also* Veniot
Vacancy in, 1293

Yorkton Judicial district, Judge, 1080

York, West, vacancy, 1293

Young. *See* Arthur Young and Company; Civil Service, Classification

Young Emergency Tariff. *See* United States

Yukon Territory
Administration of Justice, 1087